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Briefly Noted

The Two Faces of Soviet Policy toward West Germany

March brought a spate of new Soviet attacks on the "revanchist and militaristic policies" of the German Federal Republic, beginning with a 4,000-word March 7 Tass statement tied to Bonn's 1963 year-end progress report. Although this blast contained no new charges, it surprised the Germans (some of whom termed it "Stalinist") with the harsh language in which it rehashed the old accusations: i.e.; "The present tension in Europe ... stems from the revenge-seeking and militaristic policy of the same circles which for over three-quarters of a century have brought Europe five wars,... who now want to prepare a sixth, In the German Federal Republic the reins of power fell into the hands of the same forces that in their time had nurtured Hitler and are trying to continue the criminal policy of the Reich."

(The Soviet Government punctuated its new hard language by expelling on March 13 German Embassy counsellor Naupert, apparently in reprisal for Bonn's January expulsion of equal-ranked Soviet diplomat Morosov who had grabbed the passport of a Soviet defector shown him by the Bonn Foreign Ministry and refused to surrender it.)

Such tactics have not been used since Erhard took over from Adenauer, and observers saw the new attack as signifying that the USSR had little hope of enticing the new Bonn regime to veer to policies more favorable to Moscow: indeed, some saw it as specifically linked to Bonn's rejection of additional long-term credits for Moscow and certain embargoes.

At the same time -- as broadcast by Frankfurt Radio on the 18th and reported from Moscow by Reuters on the 19th -- Krupp became the first Western industrial organization to be granted permanent representation in Moscow; its Hans-Juergen Meyer received a one-year residence visa, although all other Western industrial representatives are limited to three-month visas!

The German press was not slow to recognize the duplicity in this preferred treatment of "the successors of the Krupp 'cannon kings'" (as the Neue Rhein-Ruhr Zeitung termed them in its editorial on the 19th) -- as contrasted with Moscow's simultaneous "principled" attack on Germany's democratically elected Government and its unidentified "revanchist and militaristic" ruling circles.

The apparent warm Moscow affinity for the giant firm of Krupp -- a name which almost symbolized the German heavy armaments industry during the first half of this century -- has been noted ever since Krupp General Manager Beitz made his first visit to Moscow in 1953. Although we do not in

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(Briefly Noted Continued)

any way suggest that the present Krupp management is malevolent (Krupp has ceased armaments production), we lose no opportunity -- and the present is a good one -- to expose the duplicity of the repeated Soviet propaganda attacks depicting West Germany in the hands of "the same circles which for over three-quarters of a century have brought Europe five wars," "nurtured Hitler," etc. (as quoted above), while at the same time they are, for self-serving ends, cuddling up with the current day management of the best known industrial concern associated with Germany's former militaristic circles.

Soviet Trade Cloaks Subversion

London news stories of 26 March reported the expulsion of Vladimir Solomatin, a member of the permanent Soviet Trade Mission in the UK. He used business contacts to obtain specifications for secret defense equipment. One newspaper, the Daily Express, intimated that a British businessman had aided the authorities in collecting evidence in the case.

In discussing Soviet foreign trade activities, as proposed in recent Guidances, we should where possible and appropriate point out that trade activities serve as cover for espionage and strong-arm activities. Aside from Solomatin, cases in point include Valerian Pripoltsev, Soviet Trade Mission employee in Cologne, Germany, arrested in August 1961 and expelled in July 1962; Vladislav Sergeyevich Andreyev, Commercial Counsellor at the Soviet Embassy in Wellington, New Zealand, declared persona non grata in July 1962; and Sergey Vasilyevich Shibayev, Commercial Attache at the Soviet Embassy at The Hague, declared persona non grata after he attempted to use force in preventing a defection. Persons dealing with Soviet trade officials may find themselves the objects of blackmail and attempted recruitment for Soviet intelligence services. Those who nevertheless do deal with Soviet officials, and who discover that the Soviets are out for something besides trade, should inform their security service.

Businessmen should also be told that, aside from spying against governments, Soviet trade officials often seek to obtain trade secrets. Thus in 1963, the Soviets held out promises to purchase \$280,000,000 worth of oil refining equipment, on the condition, however, that they be permitted to "see for themselves" that they were getting the most up-to-date equipment -- i.e., that they be given access to all the secrets of the British oil industry. This was more than any individual firm could agree to give them, even if it wanted to. The Soviet practice of buying single prototypes of advanced machines, and then copying them without any regard for patent rights, is well known.

(For details of Solomatin's case, see Press Comment, 1 April 1964)

Czechoslovakia's Lagging Economy

Many characteristics of Soviet society are those of a new economy emerging from backwardness. Friends of the USSR try to present it as a model for less developed countries to follow; critics point out that the high Soviet growth rates of the past were only possible because the economy was a young one. The question arises: what will Communism be able to do with an advanced economy?

A living example of Communism in an advanced society is Czechoslovakia, an economy which in 1948 was quite comparable with the countries of Western Europe. East Germany was also once part of an advanced economy, but because of extraordinary war damage, separation from the rest of Germany, and drastic stripping of the economy by the Soviets, the GDR economy has suffered unusual handicaps. In Czechoslovakia, however, Communism has had a fair chance to show what it can do with an advanced society. As an unclassified attachment to this guidance shows, Communism has generally made a mess of things. The western prediction that Communist growth rates will decline when Communist economies are more mature--a prediction which recent Soviet developments have tended to confirm--is fully borne out by the Czech experience.

The Czech case may be presented to the people of developed countries to show them that Communism has nothing to offer them except stagnation and decline. In less-developed nations, Czechoslovakia may be held up as demonstrating the results of Communism; the people of developing Communist countries can look forward to arriving, after years of deprivation, only at the position now achieved by the Czechs. 25X1C10b
25X1C10b 10 February 1964).

Authoritative Article on Panama Riots

Press Comment, 6 April, carries the complete text of an article on the Panama riots which appeared in the 30 March issue of U.S. News and World Report. In spite of a few minor errors, Headquarters considers this as comprehensive and truthful an article as any that have appeared in the U.S.

DATES

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18 Ap Bandung Conference -- 29 Afro-Asian countries call for self-determination, 18-27 April 1955.

22 Ap Lenin born, 1870; Chicoms issue "Long Live Leninism" statements, challenging Khrushchev, 1960.

29 Ap India and Chinese People's Republic enter 8-year pact for "peaceful coexistence," 1954.

5 May Karl Marx born 1818 (dies 14 March 1883).

11 May WFTU - 2nd International Conference on Problems of Women Workers (WFTU) Bucharest, 11-16 May, 1964.

11 May Soviet Bloc Warsaw Pact concluded, including Albania. 11-14 May 1955.

15 May Third International (Comintern) dissolved. 22 May announcement declares autonomy of CP's outside USSR. 1943.

16 May First of China-USSR "Unequal Treaties" (Aigan) signed. 1353.

21 May All-Africa Trade Union Federation Conference (AATUF) 21-24 May 1964, Bamako.

26 May Khrushchev arrives Belgrade blames errors for 1943 break on Beria. 1955.

31 May Premier Ferenc Nagy in Switzerland threatened with arrest if he returns to Hungary. 1947.

1 June DeGaulle becomes Premier of France. 1958.

5 June Secretary George Marshall proposes the European Recovery Program ("Marshall Plan") in Harvard speech. (Soviets prevent Poland and Czechoslovakia from accepting). 1947.

11 June Marshal Tukhachevsky and 7 other top Red Army Generals arrested, tried secretly and executed.

14 June Second of China-USSR "Unequal Treaties" (Tientsin), 1353.

15 June USSR occupies Lithuania 15 June 1940, Estonia and Latvia 17 June 1940

17 June German Day of Unity (West Germany) commemorating East German riots of workers/youths 16-17 June 1953 quelled by Soviet troops.

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PROPAGANDIST'S GUIDE TO COMMUNIST DISSENSIONS

#25

14-27 March 1964

Commentary

Principal Developments:

1. The Chinese drove on relentlessly with their all-fronts onslaught against Khrushchev and his followers. Despite pressure from "neutral" CPs as well as from the Soviet camp to withhold polemics, the Chinese NCNA news agency and press ostentatiously publicized polemical texts by their supporters daily since the departure of the Rumanian delegation from Peking, going back several months -- even into 1963 -- to pick up some of them (see Chrono, March 13 and continuing). This campaign was capped (after the end of our period, see Addendum to Chrono, March 31) with the publication of their own new major attack -- the eighth in their series tied to the 14 July CPSU open letter -- culminating in an open and direct call to all Communists, inside the CPSU as well as in other parties, to "repudiate and liquidate Khrushchev's revisionism." Most significant is the clue to their tactical plans in their "solemn declaration" that "it is necessary to amend the formulation of the question ("peaceful transition" and the "parliamentary road" to socialism) in the declaration and the statement (documents of the 1957 and 1960 Moscow conferences) through joint consultation of Communist and workers parties to conform to the revolutionary principles of Marxism-Leninism."

2. Prior to this new blast, the Peking press triumphantly announced the formation of another pro-Chinese "national CP", this time in Australia, headed by their favorite, E.F.Hill, who had been expelled from the old CPA last year for his pro-Chicom activities. Turbulent developments in India during the past couple of weeks indicate that the pro-Chinese faction may set up a new party there also in the near future.

3. The Chinese also thrust their fight against the Soviets aggressively and destructively into three major international front activities. Most spectacular was the bitter public battle before 71 national delegations at the 6th Session of the Afro-Asian Peoples' Solidarity Organization (AAPSO) in Algiers (Chrono, March 22-28), precipitated by Chinese chief delegate's attacks on Soviet policy. A similar struggle was reportedly carried on behind closed doors at an executive session of the World Federation of Trade Unions (WFTU) in Sofia (Chrono, March 18-21). And after the end of the period, the Chinese started advance attacks on the forthcoming Budapest 8th Congress of the International Association of Democratic Lawyers (IADL) with a press release denouncing the undemocratic

efforts of "certain responsible members" to monopolize the preparations to push "the erroneous foreign policy of a certain country" and blaming them in advance "for the grave consequences that may ensue at the 8th Congress" (Addendum, March 29). In secret comment on the AAPSO events, the U.S. Embassy in Algiers says that the Sino-Soviet altercation was even worse in the closed sessions than in public, and that the Chinese refused to invite the Soviets, Mongolians and Indians to their reception for all delegates. The Chinese seemed to be backed publicly by at least one-third of the delegates, including the Asians (except for Mongolians and Indians) and a number of Africans, especially English-speaking, and Embassy concludes that the Chinese "may well increase their position within AAPSO." The Arabs, however, seemed to favor neither, and some (particularly Egyptians) talked about trying to get both the Chinese and the Soviets thrown out of AAPSO.

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c. Khrushchev arrives in Budapest 31 March for visit to include 4 April 19th anniversary of Hungary's liberation from Nazi occupation. No other major Communist leader is known to be coming. He and Kadar may or may not take advantage of the occasion to issue a statement on problems of the ICM.

d. No hard information has become available re plans for Khrushchev's 70th birthday celebration, April 17, or for the annual May Day rally.

e. Soviet Defense Minister Marshal Malinovsky will lead a military delegation on an "official friendship visit" to East Germany (Chrono, March 24). American mission Berlin infers (conf.) that visit planned more for political-psychological impact than for military motives: coming so soon after Mikoyan demonstrative attendance at the Grotewohl birthday (3g of last Commentary), it suggests a Soviet feeling of need to provide a public reminder of their relationship with SED during these times.

f. The French CP called anew for a world conference without delay (Chrono, March 27), denouncing the Chinese attitudes at the same time. Pravda also reports that Canadian CP General Secretary Morris and Dutch CP Secretary Hukster expressed new support for a world conference in the near future. (Addendum to Chrono, March 29-30).

g. Rumania continues to demonstrate independence: obviously snubbing the Russians and other East European countries, it has invited the Albanian Army football team to participate as the "guest" team in the 20th anniversary celebrations of her national holiday on 23 August.

5. A number of CPs and other organizations in the West (French CP, CPUSA, Swedish Communist Youth) have strongly condemned a blatantly anti-Semitic book, Judaism without Embellishment, published in Kharkov, Soviet Ukraine.

6. The high-level Japanese CP delegation which had spent the first half of the month in Moscow completed its talks in Peking and flew to Pyongyang (see Chrono, March 25). The release stated only that they had had "friendly talks on questions of common concern."

7. An apparent subversion case which may have far-reaching repercussions seemed to be unfolding as the period ended. It began on the 18th with the expulsion of an Albanian attaché from Budapest and the arrest of a prominent Hungarian Stalinist, Sandor Nagy, for "suspected incitement." By the 21st, correspondents were reporting "informed sources" in Budapest as linking the two in an effort to overthrow the Kadar regime (one said to assassinate Kadar), and by the 29th it was reported that Nagy's group may have numbered several hundred, supported by the Albanian Party (Chrono, March 18 and Continuing).
Significance:

The Chinese could hardly have done more to back Khrushchev and his followers into a corner -- where they must launch an effective counter-attack or face gradual destruction -- than by their conduct during this period. Rather firm evidence indicates that as late as the end of February (and perhaps until the middle of March) Khrushchev -- under heavy pressure from the "anti-split" elements -- was still willing to go through the motions of further bilateral talks with the Chinese, despite the polemical pummeling he has taken from them, -- if they would refrain from future polemics. But they ruthlessly and ostentatiously proceeded to publish daily polemics, capped by the 31 March diatribe which not only adds further personal insults to Khrushchev but calls openly for his liquidation.

The new Chinese blast also implies Chinese thinking on future strategy and tactics: i.e., "through joint consultation of Communist and workers parties" (the parties and dissident groups attuned to the Chinese line) to work toward the formulation of a new document, to succeed the 1957 and 1960 declaration and statement, which will clearly wipe out "Khrushchev's revisionist" influence in favor of the Chinese concept of "revolutionary Marxism-Leninism," and which they believe will gradually win the adherence and support of "the international Communist movement" as a whole.

How will Khrushchev and his supporters react? We suggest that he may still try to procrastinate -- but time seems to be running out on him!

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CHRONOLOGY -- COMMUNIST DISSENSIONS

#25

14-27 March 1964

(See also Addendum to Chronology #24 for items on March 14, 15, 16 and 17.)

March 10-18 -- On 10 March Ulan Fator radio reported that, following heavy snowfalls and prolonged frost which caused serious difficulties with livestock, the USSR made available a column of 70 trucks and 3 helicopters for delivering fodder and other supplies to the stricken areas. On the 16th, NCNA reported a message from Chou En-lai to Premier Tsedental expressing deep sympathy on Mongolian losses and announcing a Chinese donation of 10,000 tons of maize fodder and 200,000 yuan. On the 18th, Tass from Ulan Fator describes the Mongolian difficulties and the "great help" given "as always in a dark hour (by) the Soviet people, well-tried friends," with their "caravans of friendship."

March 13 and continuing -- On March 13, the day after the departure of the Rumanian CP delegation from Peking (Chrono #24), Radio Peking resumes broadcasting the text of the 4 February joint editorial on "The Greatest Splitters," which had been suspended since before the Rumanian arrival. NCNA also begins the daily distribution of a series of delayed reports on polemical statements by Chinese-aligned parties or factions which are then published on the following day in all Peking papers, usually in full text in People's Daily. They are:

--- 13 (14): The December plenum speech of N. Vietnamese First Secretary Le Duan, from February Hoc Tap.

--- 14 (15): The resolution of the Indonesian CP's December plenum (published by Harian Rakjat on January 15), approving the Aidit report described in Chrono, December 23.

--- 15 (16): An editorial from Japanese CP organ Akahata of February 11 quoting Mao approvingly and assailing revisionism.

--- 16 (17): A February 18 speech by New Zealand CP boss Wilcox to a Canton Party School attacking Khrushchev and Suslov and paying tribute to Mao.

--- 17 (18): A March 2 editorial from the N. Korean daily Nodong Sinmun marking the 45th anniversary of the founding of the Third International, condemning (though not identifying) the modern revisionists.

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--- 18 (19): The appeal of the December 22 "national congress" of the Grippa-led pro-Chinese Belgian dissident Communists, (Chrono, January 3), together with a Grippa editorial from La Voix du Peuple of 13 March.

--- 19 (20): A March 1 Albanian Zeri I Popullit editorial entitled "Khrushchev Adulterates Lenin's Ideas to Pave the Way for His Pro-Imperialist Line."

--- 20 (21): An article from the December 1963 issue of The Australian Communist, publication of the pro-Chinese "Australian Marxist-Leninists" which attacks "Khrushchev and his clique" while "refuting the slanders of the Australian CP against the CCP."

--- 21 (22): An article from the March issue of Kulloja, a monthly organ of the N. Korean Party, which uses the "some people" formulation in attacking the modern revisionists.

--- 22 (23): A February 8 speech at Medan by Indonesian CP second vice chairman Njoto, from Harian Rakjat Feb. 10. Njoto faces a "ridiculous" charge that the PKI is "anti-Soviet:"

"It is decidedly not the PKI that is anti-Soviet, but those who are, in actual fact, indifferent to the fate of the first socialist country founded by Lenin. They allow the decadent culture of the West to infiltrate into the Soviet Union. Not in words, but in deeds, do they allow the tendency toward the restoration of capitalism to grow in socialist countries."

--- 23 (24): An article from the January issue of the N. Vietnamese organ Hoc Tap entitled "The Correct Path to Defend World Peace," which challenges the views of the modern revisionists on this subject.

--- 24 (25): Another article from the January issue of Hoc Tap entitled "Peace and Revolution."

--- 25 (26): A 3-page article from the Japanese CP daily Akahata of March 10, under the banner headline "Thoroughly and Completely Smash Fallacies Advanced by the Modern Revisionists to Glorify U.S. Imperialism."

--- 26 (27): An article from issue No. 23, 1963, of a N. Korean Party organ Keunroja (Toilers), which emphasizes that "the struggle against the Western bourgeois way of life is a very important aspect of the struggle against imperialism and modern revisionism."

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--- 27 (28): A speech by Albanian Politburo Member Ramiz Alia condemning modern revisionism, plus an editorial from Tien Phong (Vanguard), organ of N. Vietnamese Labor Youth Union, calling on youth to combat modern revisionism.

March 18-21 -- An executive session of the World Federation of Trade Unions (WFTU) in Sofia saw another bitter battle between the Soviet and Chinese forces, according to reports leaking out. The Yugoslav Tanyug correspondent in Sofia reports (on the 27th) that the Chinese delegate, assisted by the Indonesian, N. Korean, N. Vietnamese and Japanese, "availed himself of every opportunity to provoke a sharp polemic and to carry the positions of the Chinese Party and State leadership to the international trade union scene." "The Chinese and Indonesian representatives wanted first of all to have Vice President Mendis of Ceylon declared a private person in Sofia because the Ceylonese trade unions have split." The Chinese declared that the WFTU and its Secy Genl Louis Saillant were supporting the foreign policy of a big state -- "clearly an allusion to the Soviet Union." "In Sofia the Chinese pretended to have a monopoly on absolute truth, infallibility, and the right to lecture everyone. Moreover, this is not the first time it has been possible to perceive that the Chinese want to create an international trade union center -- evidently outside the WFTU" -- based on Chinese ideas.

March 18 and continuing -- A brief Hungarian announcement on the 18th stated that the Ministry of Foreign Affairs that day expelled Vasil Tasellari, commercial attache of the Albanian Embassy, "who, abusing his right to diplomatic immunity, in violation of the law, interfered in the internal affairs of the Hungarian People's Republic." An even briefer announcement, on the same day but apparently not connected, stated: "The Minister of the Interior has placed Sandor Nagy ... under preliminary arrest for suspected incitement."

On the 20th, the Albanian Foreign Ministry denounced the expulsion -- "another hostile action in continuation of anti-Albanian activities carried out by the Hungarian leadership in past years with the intention of aggravating relations...." It went on to demand the withdrawal within 48 hours of an attache, Lajos Evy, at the Hungarian Embassy in Tirana.

On the 21st, several correspondents in Budapest reported that "informed Hungarian sources" linked the Albanian ouster with the arrest of Nagy, a 1951 Stalin Prize winner, one of the hard-core Stalinists who never accepted Kadar's moderate approach. Nagy was said to have circulated material calling for the overthrow of the Kadar regime (NYTimes' Underwood said it urged the assassination of Kadar) which had been printed in Albania

through Tasellari's complicity.

A Reuters dispatch dated the 29th reported that "further details on the recent arrest of Sandor Nagy ... revealed that he was to head a 'new Communist Party' in Hungary in support of the Chinese.... According to unconfirmed reports, several hundred supporters of Nagy ... were either arrested or investigated by the Hungarian police in the last ten days." Reuters adds that the group around Nagy "closely collaborated with the Albanian Party which ... provided funds and even a printing press, the sources said."

March 20 -- La Voix du Peuple, organ of Grippa's Belgian pro-Chinese dissidents, carries a long report describing the first (March) issue of Nuova Unità, subtitled, in translation, "For the Victory of Marxism-Leninism," a Chinese-line monthly published in Italy. The report contains long excerpts from its platform and reprints a map showing the centers of "true Marxist-Leninists" in Italy.

March 22 -- The London Sunday Times carries a Peking dispatch by Jacques Marcuse reporting that "foreign experts" there believe that "a formal political break with Russia by China is now a very definite probability," and that "the occasion would be the international 'Marxist-Leninist' conference which would convene here at the CCP's invitation and would 'unmask' and condemn modern revisionism and Nikita Khrushchev." He writes that the Rumanians were told of China's intentions during their talks early this month. Khrushchev's forthcoming visit to Hungary is announced officially by Budapest.

March 22-28 -- The 6th session of the Council of the Afro-Asian Peoples' Solidarity Organization (AAPSO), held in Algiers and chaired by Algerian Mohammed Yazid became the scene of a bitter Chinese-Soviet battle. It started with the March 23 speech of Mrs. Kuo Chien, leader of the Chinese delegation, who violently attacked Soviet policies. She was quoted as saying, when denouncing the Khrushchev proposal for peaceful resolution of border and territorial disputes as "the most absurd and reactionary reasoning:

"Now if some people should ask the Afro-Asian people to capitulate unconditionally to the aggression of the imperialists and old and new colonialists under the deceitful slogan that no use of force is allowed to settle territorial disputes, the Chinese people will reply categorically 'No, a thousand times no,' and will tell these people: 'Your expansionism and national egoism have long made it difficult to draw a line between

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you and the imperialists and colonialists, old and new.' As birds of a feather flock together, it is not at all strange that you should stand on the side of the imperialists and colonialists. But you will never succeed in deceiving us people of Africa and Asia."

Soviet chief delegate Eibodjan Gafurov on the 25th, castigated the Chien speech, saying that other delegations had asked him not to reply to the Chinese "calumnies." The Chinese and some Africans interrupted with protests and demand for right of reply. The Chinese again demanded the right to reply after the open sessions ended, but Yazid was reported as banning further Sino-Soviet clashes, declaring that: "Algiers, the capital of Algeria and the Afro-Asian capital, must not become the capital of Afro-Asian disunity." Algerian President Ben Bella, at his reception in honor of the delegates on the 26th, remarked: "We want our debates to be, first and foremost, Afro-Asian. We will remain vigilant so that these debates will stay in the Afro-Asian sphere."

The pro-Soviet Algerian newspaper Alger Republican on the 24th criticized the Chinese conduct under the heading: "The Only Discordant Note." On the 25th, Czech central organ Rude Pravo condemned the "reckless" Chinese conduct, saying that the Chien speech "met the gloomiest expectations," marked by "anti-Soviet hysteria." "The Chinese delegate ridiculed the endeavor to build up developing countries economically and described any hope of averting war as nonsensical and even fraudulent." Czech commentator Hochman also points out that "the delegates did not fail to notice that in her list of imperialist forces the Chinese delegate completely 'forgot' France."

Despite obvious public revulsion to their feuding, however, Gafurov held a press conference to air his views more fully on the 27th, and Kuo Chien retaliated with her own press conference on the 28th to reply to the Soviet slanders and distortions!

March 24 -- The East Germans announce that a Soviet military delegation led by Defense Minister Marshal Malinovsky will pay "an official friendship visit" to the GDR at the invitation of the Party and Government.

March 25 -- The Japanese CP delegation headed by Hakamada which had conducted talks with the CPSU in Moscow from February 28 to March 12 (see Chrono, March 13) completed "cordial and friendly talks on questions of common concern" with the CCP in Peking during the period March 21-25. Liu Shao-chi and Chou En-lai

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were senior Chinese participants. On the 27th, they flew to Pyongyang "to pay a visit" and landed "amid enthusiastic cheers."

March 27 -- French CP daily L'Humanite reports that at a meeting the previous day the CC reaffirmed its condemnation of Chinese dogmatic positions and schismatic activity and called for the convocation of a meeting of all Communist and workers parties without delay.

ADDENDUM TO CHRONOLOGY

March 29 -- The Peking press announces the formation of "the Communist Party of Australia -- Marxist-Leninist" with E.F. Hill as Chairman.

In Budapest, the Chinese delegation to the 8th Congress of the International Association of Democratic Lawyers (IADL) which is due to open there on the 31st, issues a statement to the press which says:

"It is to be regretted that certain responsible members of the IADL have taken an extremely undemocratic attitude, attempting to monopolize everything regarding the agenda of the 8th Congress, the reports, and the way the Congress is to be conducted, for the purpose of pushing through the erroneous line of foreign policy of a certain country...."

"The Chinese delegation solemnly declares: certain responsible members of the IADL, who are pursuing an erroneous political line, and who, while paying lip service to unity, are actually engaged in division, should bear full responsibility for the grave consequences that may ensue at the 8th Congress."

March 29-30 -- Pravda on the 29th reports that Canadian CP General Secretary Morris, speaking to the 18th Congress of the Netherlands CP, said that the situation in the international Communist movement demands that the Congress express views on convening a world congress, which should be in the near future. On the 30th, Pravda reported that Dutch CP Secretary Hukster supported the world conference proposal. (Pravda reports that representatives of Soviet, Bulgarian, Hungarian, French, Finnish, Belgian and Danish CPs attended.)

March 31 -- Peking publishes the eighth in its series of joint Red Flag/People's Daily articles in reply to the 14 July CPSU open letter; a 15,000-word harangue entitled "The Proletarian Revolution and Khrushchev's Revisionism." [We have only an NCNA summary on which to base the following brief comments, and will summarize the article more fully in the next issue.]

The article starts by declaring that "the betrayal of Marxism and of the proletariat by the revisionists has always manifested itself most sharply in their opposition to violent revolution and to the dictatorship of the proletariat, and in their advocacy of peaceful transition from capitalism to socialism. This is likewise the case with Khrushchev's revisionism. On this question Khrushchev is a disciple of Frowder and Tito as well as of Bernstein and Kautsky."

The Chinese state that they had expressed themselves against Khrushchev's views on "peaceful transition" and "the parliamentary road" from the time he put them forward at the 1956 20th CPSU Congress, and that they made concessions to allow Soviet formulations to be incorporated into the 1957 and 1960 Moscow documents. However, "the CPSU leadership has taken advantage of these weaknesses and errors... and used them as an excuse for peddling Khrushchev's revisionism." The Chinese then "solemnly declare" that "it is necessary to amend the formulation of the question in the declaration and the statement through joint consultation of Communist and Workers parties to conform to the revolutionary principles of Marxism-Leninism."

Further taunting K., the Chinese say that "it is Khrushchev himself who has succeeded to the mantle of Trotskyism and who stands with the Trotskyites of today." And further, "K. is the greatest capitulationist in history."

After citing the Communist leaders of Iraq, Algeria, France, and "the Dange clique" in India as bad examples and Comrade Fidel in Cuba as a shining case, they call for action -- against Khrushchev:

"Now is the time -- now it is high time -- to repudiate and liquidate Khrushchev's revisionism! Here, we would give the leading comrades of the CPSU a piece of advice: since so many opportunists and revisionists have been thrown onto the rubbish heap of history, why must you obdurately follow in their wake? Here, too, we express the hope that those leading comrades of other fraternal parties will think this over: what have they gained by following the revisionist line of the leaders of the CPSU? ... We believe that all those who are proletarian revolutionaries will eventually choose the revolutionary line and reject the anti-revolutionary line, will eventually choose M-L and reject revisionism. We entertain very great hopes in this regard."

CHRONOLOGIE - DISSENSIONS COMMUNISTES

Numéro 25

14-27 mars 1964

(Vois également addenda à la Chronologie numéro 24 pour articles datés des 14, 15, 16 et 17 mars.)

10-18 mars: Le 10 mars, la radio d'Ulan Bator annonçait que, par suite de grosses chutes de neige et de gels prolongés, qui furent la cause de difficultés sérieuses avec le bétail, l'Union soviétique a fourni 70 camions et 3 hélicoptères pour effectuer des livraisons de fourrage et d'autres produits dans les régions atteintes. Le 16, l'Agence de presse Chine nouvelle parlait d'un message adressé par Chou En-lai au premier ministre Tsédenbal, exprimant un profond regret au sujet des pertes subies par les Mongols et annonçant un don des Chinois de 10 000 tonnes de maïs pour la nourriture du bétail et de 200 000 yuan. Le 18, Tass parle d'Ulan Bator des difficultés qu'éprouvent les Mongols, et de "l'aide considérable" accordée "comme toujours dans une période sombre par le peuple soviétique - ami fidèle" au moyen de "leurs caravanes de l'amitié",

13 mars et la suite: Le 13 mars, jour précédant le départ de la délégation du PC roumain (Chrono numéro 24), Radio-Pékin reprenait la transmission du texte de l'éditorial publié en commun le 4 février sur "Les plus grands faiseurs de divisions" dont la dissémination fut suspendue à la veille de l'arrivée des Roumains. L'Agence de presse Chine nouvelle commence également la distribution quotidienne d'une série de rapports dont la parution fut retardée, ces rapports portant sur la polémique conduite par les partis ou factions alignés sur la Chine. Ces rapports sont publiés le jour suivant dans tous les journaux de Pékin, et leur texte complet est donné d'habitude dans le "Quotidien du peuple". En voici la liste:

-- 13 (14): Discours prononcé à la session plénière de décembre par le premier secrétaire du parti nord-vietnamien Le Duan, reproduit d'un article paru dans l'édition de février de "Hoc Tap".

-- 14 (15): Résolution passée à la session plénière de décembre par le PC indonésien (publié par "Harian Rakjat" le 15 janvier), approuvant le rapport d'Aidit mentionné dans la Chrono en date du 23 décembre.

-- 15 (16): Un éditorial de l'"Akahata", organe du PC japonais, en date du 11 citant Mao avec approbation et s'attaquant au révisionnisme.

-- 16 (17): Un discours du 18 février par Wilcox, chef du PC de la Nouvelle-Zélande, prononcé à l'école du parti de Canton, s'attaquant à Khrouchtchev et à Souslov et faisant les louanges de Mao.

-- 17 (18): Un éditorial du 2 mars du Quotidien de la Corée du Nord "Nodong Simmun", marquant le 45^e anniversaire de la fondation de la 3^e Internationale, et flétrissant (sans les identifier) les révisionnistes modernes.

-- 18 (19): Un appel du 22 décembre par "le congrès national" des dissidents communistes belges de tendance pro-chinoise, dirigé par Grippa (Chrono du 3 janvier), ainsi qu'un éditorial par Grippa dans "La voix du peuple" du 13 mars.

-- 19 (20): Un éditorial du 1^{er} mars du journal albanais "Zeri I Popullit", intitulé: "Khrouchtchev porte atteinte aux idées de Lénine pour paver la voie à sa politique pro-impérialiste".

-- 20 (21): Un article d'une édition de décembre 1963, paru dans "The Australian Communist", publication des "marxistes-léninistes australiens" de tendance pro-chinoise, qui attaque "Khrouchtchev et sa clique" et qui "réfute les calomnies du PC australien à l'égard du PC chinois".

-- 21 (22): Un article tiré du numéro de mars de "Kulloja", organe mensuel du parti nord-coréen, qui se sert du langage de "certains gens" en attaquant les révisionnistes modernes.

-- 22 (23): Un discours du 8 février à Medan, par Njoto, 2^e vice-président du PC indonésien, tiré du "Harian Rakjat" numéro du 10 février. Njoto répond à l'accusation "ridicule" selon laquelle le PC indonésien serait anti-soviétique":

"Décidément, ce n'est pas le PC indonésien qui est anti-soviétique, mais bien ceux qui se trouvent être en réalité indifférents au sort du premier pays socialiste fondé par Lénine. Ils permettent la culture décadente de l'Ouest de s'infiltrer dans l'Union soviétique. Ce n'est pas en paroles, mais en actes qu'ils permettent à la tendance de restaurer le capitalisme de se développer dans les pays socialistes",

-- 23 (24): Dans le numéro de janvier de l'organe nord-vietnamien "Hoc Tap", un article intitulé "La façon correcte de défendre la paix mondiale", qui s'oppose aux opinions des révisionnistes modernes à ce sujet.

-- 24 (25): Un autre article dans le numéro de janvier du "Hoc Tap" intitulé "Paix et révolution".

-- 25 (26): Un article de 3 pages dans le quotidien du PC japonais "Akahata" le 10 mars, sous grosse manchette "Détruire minutieusement et complètement les erreurs formulées par les révisionnistes modernes dans le but de glorifier l'impérialisme des Etats-Unis".

-- 26 (27): Un article dans le numéro 23, 1963, de l'organe du PC nord-coréen "Keunroja" (Travailleurs), qui souligne que "la lutte contre le genre d'existence des bourgeois occidentaux constitue un aspect très important de la lutte contre l'impérialisme et le révisionnisme moderne".

-- 27 (28): Un discours de Ramiz Alia, membre du politbureau albanais, condamnant le révisionnisme moderne, ainsi qu'un éditorial du "Tien Phong" (Avant-garde), organe du syndicat professionnel de

la jeunesse nord-vietnamienne, qui fait appel à la jeunesse pour combattre le révisionnisme moderne.

18-21 mars: Session des dirigeants de la Fédération syndicale mondiale à Sofia, au cours de laquelle s'est livrée une nouvelle bataille violente entre les forces chinoises et soviétiques, à en croire les nouvelles qui transpirent à l'extérieur. Le correspondant du "Tanyug" yougoslave à Sofia communique (le 27) que le délégué chinois, avec l'appui des délégués indonésien, coréen du Nord, vietnamien du Nord et japonais, "a profité de toutes les occasions pour provoquer une polémique violente et pour affirmer sur la scène syndicale les positions du parti et des leaders de l'Etat chinois". "Les représentants chinois et indonésien désiraient avant tout que le vice-président Menzies de Ceylan soit déclaré personne privée à Sofia en raison de la rupture survenue dans les syndicats ceylanais." Les Chinois déclarèrent que la Fédération syndicale mondiale et son secrétaire général Louis Saillant appuyaient la politique étrangère d'un grand Etat -- "allusion certaine à l'Union soviétique". "Les Chinois prétendirent à Sofia de jouir du monopole de la vérité absolue, de l'infailibilité et du droit de donner des leçons à tout le monde. D'autre part, ce n'est pas la première fois qu'il a été possible d'entrevoir le fait que les Chinois désirent créer un centre syndical international -- en dehors de la Fédération syndicale mondiale évidemment -- et basé sur les conceptions chinoises".

18 mars et la suite: Un bref communiqué hongrois le 18 annonçait que le ministère des Affaires étrangères avait, à ce jour, expulsé Vasil Tasellari, attaché commercial de l'ambassade albanaise, "qui abusant de son droit d'immunité diplomatique et en infraction à la loi, est intervenu dans les affaires internes de la République populaire hongroise". Un communiqué plus court encore, du même jour, mais à ce qu'il semble sans relation avec le précédent, déclarait: "Le ministre de l'Intérieur a placé Sandor Nagy ... soupçonné d'insubordination, en état d'arrêt préliminaire".

Le 20, le ministère des Affaires étrangères albanais flétrissait l'expulsion -- "nouvelle mesure hostile dans la suite des activités anti-albanaises auxquelles les leaders hongrois se sont livrés au cours de ces dernières années avec l'intention de voir les relations se détériorer ..." L'article continua jusqu'à réclamer le retrait dans les 48 heures d'un attaché, Lajos Evy, de l'ambassade hongroise à Tirana.

Le 21, plusieurs correspondants à Budapest ont fait savoir que "des sources hongroises bien informées" voyaient un rapport entre l'expulsion de l'Albanais avec l'arrestation de Nagy, titulaire du prix Staline de 1951, l'un des dur à cuire staliniens n'ayant jamais accepté l'attitude modérée de Kadar. Nagy aurait fait circuler des documents réclamant le renversement du régime Kadar (Underwood du "New York Times" a déclaré qu'il réclamait l'assassinat de Kadar); ces documents auraient été imprimés en Albanie avec la complicité de Tasellari.

Un communiqué de Reuters daté du 29 annonce que "des détails supplémentaires sur l'arrestation récente de Sandor Nagy ... révèlent

qu'il se trouvait à la tête d'un "nouveau parti communiste" en Hongrie soutenant les Chinois ... Selon des nouvelles non confirmées, plusieurs centaines de partisans de Nagy ... furent soit arrêtés, soit interrogés par la police hongroise au cours de ces 10 derniers jours". Reuters ajoute que l'entourage de Nagy "collaborait étroitement avec le parti albanais, qui ... fournissait les fonds et même la presse à imprimer, déclarent les sources".

20 mars: "La voix du peuple", organe des dissidents belges d'orientation pro-chinoise dirigés par Grippa, publie un long communiqué décrivant le premier numéro (mars) de "Nuova Unità" mensuel pro-Chinois publié en Italie, et qui portait la manchette "Pour la victoire du marxisme-léninisme".

22 mars: Le "Sunday Times" de Londres donne un communiqué de Pékin par Jacques Marcuse, qui fait savoir que "les experts étrangers" à Pékin estiment "qu'une rupture officielle avec l'Union soviétique par la Chine ne se présente pas actuellement avec une certitude absolue", et que "l'occasion pour la faire se présenterait à la conférence internationale marxiste-léniniste qui se réunirait ici à l'ins-tigation du PC chinois et qui démasquerait et condamnerait le révi-sionnisme moderne et Nikita Khrouchtchev". Il écrit que les Roumains furent mis au courant des intentions chinoises au cours des entretiens qu'ils eurent au début de ce mois. La visite prochaine de Khrouchtchev en Hongrie est annoncée officiellement par Budapest.

22-28 mars: La 6^e session du Conseil de l'Organisation de la solidarité des peuples afro-asiatiques, qui s'est tenue à Alger sous la présidence de l'Algérien Mohammed Yazid, a été la scène d'une ba-taille violente entre Chinois et soviétiques. Elle débuta par un discours le 23 mars de Mme Kuo Chien, chef de la délégation chinoise, qui attaqua violemment la politique soviétique en s'attaquant à la proposition de Khrouchtchev de résoudre pacifiquement les dis-putes territoriales et de frontières et que celles-ci étaient le fruit "du raisonnement le plus absurde et le plus réactionnaire":

"Si quelque pays demandait maintenant aux peuples afro-asiatiques de capituler sans conditions devant l'agres-sion des impérialistes ainsi que des anciens et des nou-veaux colonialistes camouflés derrière le slogan trompeur que le recours à la force est interdit pour régler les disputes territoriales, le peuple chinois répondrait ca-tégoriquement: 'Non, mille fois non', et déclarerait à ce pays" 'Depuis longtemps, votre expansionnisme et vo-tre égoïsme national font qu'il est difficile de faire une démarcation entre vous-mêmes d'un côté et les impéria-listes et les colonialistes de l'autre, qu'ils soient an-ciens ou nouveaux'. Comme 'qui se rassemble s'assemble', il n'est pas étonnant que vous vous trouviez du côté des impérialistes et des colonialistes. Mais vous ne parvien-drez jamais à nous tromper, nous, peuples de l'Afrique et de l'Asie".

Le chef de la délégation soviétique Bibodjan Gafurov critiqua violemment le discours de Chien, déclarant que les autres délégas-

tions lui avaient demandé de ne pas répondre aux "calomnies" chinoises. Les Chinois et certains Africains interrompirent par des protestations et affirmèrent qu'ils avaient le droit de répondre. Les Chinois de nouveau exigèrent la parole après la fin des sessions ouvertes, mais Yazid se serait opposé à d'autres disputes entre Chinois et soviétiques, déclarant que: "Alger, capitale algérienne et afro-asiatique, ne doit pas devenir la capitale de la désunion entre Africains et Asiatiques". Le 26, au cours de la réception en l'honneur des délégués, le président algérien Ben Bella a remarqué: "En premier lieu, nous voulons que nos débats soient afro-asiatiques. Nous veillerons à ce que ces débats restent dans la sphère afro-asiatique".

Le 24, le journal pro-soviétique "Alger républicain" condamnait la conduite des Chinois sous le titre: "La seule note discordante". Le 25, l'organe central tchèque "Rude Pravo" condamnait la conduite imprudente des Chinois, déclarant que le discours de Chien "répondait aux prévisions les plus sombres" marquées par "l'hystérie anti-soviétique". "La déléguée chinoise s'est moquée du désir d'affermir économiquement les pays qui se développent et a déclaré que tout espoir d'éviter la guerre constituait une absurdité et même une fraude". Le commentateur tchèque Hochman soulignait également que "les délégués ne manquèrent pas de remarquer que la déléguée chinoise avait complètement oublié la France dans sa liste de forces impérialistes".

Malgré la réaction évidente causée par leur querelle, Gafurov tenait le 27 une conférence de presse pour exposer plus complètement ses vues. Kuo Chien convoquait à son tour une conférence de presse le 28 pour répondre aux calomnies, aux mensonges des Soviets!

24 mars: Les Allemands de l'Est annoncent qu'une délégation militaire soviétique ayant à sa tête le maréchal Malinovsky, ministre de la Défense, fera "une visite officielle d'amitié" à la République démocratique allemande, répondant à une invitation du parti et du gouvernement.

25 mars: La délégation du PC japonais ayant à sa tête Hakamada, qui avait dirigé les entretiens avec le PC de l'Union soviétique à Moscou entre le 28 février et le 12 mars (voir Chrono, 13 mars), a terminé "des entretiens cordiaux et amicaux sur des questions d'intérêt commun" avec le PC chinois, entretiens qui eurent lieu à Pékin du 21 au 25 mars. Liu Shao-chi et Chou En-lai étaient parmi les principaux participants du côté chinois. Le 27, ils se rendirent en avion à Pyongyang "afin d'y faire une visite" et atterrirent "parmi des cris d'enthousiasme".

27 mars: "L'humanité", quotidien du PC français, fait savoir qu'au cours d'une réunion tenue le jour précédent, le CC avait confirmé sa condamnation des positions dogmatiques et de l'activité schismatique des Chinois, et demandait la convocation sans délai d'une réunion de tous les PC et travaillistes.

ADDENDA A LA CHRONOLOGIE

29 mars: La presse de Pékin annonce la formation d'un "parti communiste -- marxiste-léniniste australien" avec E.F. Hill comme président.

A Budapest, la délégation chinoise au 8^e congrès de l'Association internationale des avocats démocrates, qui doit s'ouvrir dans cette ville le 31, fait la déclaration suivante à la presse:

"Il est à regretter que certains membres responsables de l'Association internationale des avocats démocrates aient adopté une attitude extrêmement anti-démocratique, cherchant à monopoliser tout ce qui concerne l'ordre du jour du 8^e congrès, les rapports et la façon de mener ce congrès, ceci dans l'intention d'imposer les théories erronées d'un certain pays en matière de politique étrangère ...

"La délégation chinoise déclare solennellement: certains membres responsables de l'Association internationale des avocats démocrates qui poursuivent cette politique erronée et qui, tout en prétendant être pour l'unité cherchent actuellement à diviser, devraient porter la responsabilité entière pour les conséquences graves qui pourraient s'en suivre au cours du 8^e congrès".

29-30 mars: Le 29, la "Pravda" communique que le secrétaire général du parti communiste canadien Morris a déclaré au 18^e congrès du parti communiste néerlandais que la situation dans le mouvement communiste international réclamait que le congrès exprime ses vues sur la convocation d'un congrès mondial, ce qui devrait se faire dans un avenir rapproché. Le 30, "Pravda" annonçait que le secrétaire du PC hollandais Hukster soutenait la proposition de convoquer une conférence mondiale. ("Pravda" fait savoir que les représentants des partis communistes de l'Union soviétique, de la Bulgarie, de la Hongrie, de la France, de la Finlande, de la Belgique et du Danemark participèrent au congrès néerlandais).

31 mars: Pékin fait paraître le 8^e de ses articles d'une série publiée en commun par "Le drapeau rouge" et "Le quotidien du peuple" en réponse à la lettre ouverte du parti communiste de l'Union soviétique, datée du 14 juillet; c'est une harangue de 15 000 mots intitulée "La révolution prolétarienne et le révisionnisme de Khrouchtchev". [Nous ne possédons qu'un résumé de l'Agence de presse Chine nouvelle comme base des commentaires rapides qui suivent et nous donnerons un résumé plus complet de cet article dans notre numéro suivant].

L'article débute en déclarant que "la trahison du marxisme et du prolétariat par les révisionnistes s'est toujours manifestée avec le plus d'acuité dans leur opposition à la révolution violente et à la dictature du prolétariat, et dans leur soutien d'une transition pacifique du capitalisme au socialisme. Ceci est également le cas du révisionnisme de Khrouchtchev. Sur cette question, Khrouchtchev

est un disciple de Browder et de Tito aussi bien que de Bernstein et de Kautsky".

Les Chinois déclarent qu'ils se sont prononcés contre les vues de Khrouchtchev sur "la transition pacifique" et "la route parlementaire" dès le moment où celui-ci a avancé ses idées au cours du 20^e congrès du PC de l'Union soviétique qui eut lieu en 1956; les Chinois disent qu'ils ont fait des concessions pour autoriser les les formules soviétiques à être incorporées dans les documents de Moscou de 1957 et 1960. Cependant, "les leaders du PC de l'Union soviétique ont profité de ces erreurs et de ces faiblesses ... et s'en servirent comme excuses pour affermir le révisionnisme de Khrouchtchev. Les Chinois ensuite "déclarent solennellement" qu'il est "nécessaire d'amender la rédaction de la question dans la déclaration et dans l'exposé, après consultation des partis communistes et travaillistes, conformément aux principes révolutionnaires du marxisme-léninisme".

Continuant à s'attaquer à Khrouchtchev, les Chinois déclarent: "C'est Khrouchtchev lui-même qui succède au trotskysme et qui se range du côté des trotskystes d'aujourd'hui". Et plus loin, "Khrouchtchev est le plus grand capitulationniste de l'histoire".

Après avoir cité en tant que mauvais exemples les leaders communistes de l'Iraq, de l'Algérie, de la France ainsi que "la clique de Dange" en Inde, et le camarade Fidel Castro de Cuba en tant qu'exemple éclatant, ils font appel à l'action -- contre Khrouchtchev:

"Il est temps, il est grand temps, de répudier et de liquider le révisionnisme de Khrouchtchev. Nous donnons ici un conseil aux camarades leaders du PC de l'Union soviétique: étant donné qu'un grand nombre d'opportunistes et de révisionnistes se sont déjà vu jeter dans la pile d'ordures de l'histoire, pourquoi vous obstinez-vous à suivre leur chemin? Ici également nous exprimons l'espoir que les camarades leaders des autres partis fraternels réfléchiront à ceci: qu'ont-ils gagné à suivre la ligne révisionniste des leaders du PC de l'Union soviétique?... Nous croyons que tous ceux qui sont des prolétaires révolutionnaires choisiront éventuellement la ligne révolutionnaire et rejetteront la ligne antirévolutionnaire, qu'ils choisiront éventuellement le marxisme-léninisme et rejetteront le révisionnisme. Nous entretenons de grandes espérances à cet égard".

CRONOLOGIA -- DISENSIONES COMUNISTAS

No. 25

14-27 Marzo 1964

(Ver materiales de los días 14, 15, 16 y 17 en el Apéndice a la Cronología No 24.)

10-18 Marzo: El 10 de marzo la Radio de Ulan Bator informó que a raíz de fuertes nevadas y heladas prolongadas que ocasionaron serias dificultades con la ganadería, la URSS puso a disposición una columna de 70 camiones y 3 helicópteros para entrega de piensos y otros suministros a las zonas afectadas. El 16, la Agencia Nueva China informó un mensaje de Chou En-lai al premier Tsedenbal expresando sentida condolencia por las pérdidas mongolas y anunciando un donativo chino de 10 mil toneladas de pienso de maíz y 200 mil yuan. El 18, Tass describe desde Ulan Bator las dificultades de Mongolia y la "gran ayuda" prestada "como siempre en una hora triste (por) el pueblo soviético, los comprobados amigos", con sus "caravanas de la amistad".

13 Marzo et seq: El 13 de marzo, al día siguiente de la partida de la delegación del PC rumano de Pekín (crono No 24), la Radio de Pekín reanuda la emisión del texto del editorial conjunto del 4 de febrero sobre "Los Mayores Escisionistas", que había sido suspendida desde la llegada de los rumanos. La Agencia Nueva China también empieza la distribución de una serie de informaciones retrasadas sobre declaraciones polémicas de facciones o partidos alineados con los chinos, las cuales salen a la luz al día siguiente en cada caso en toda la prensa de Pekín, generalmente en texto íntegro en el "Diario del Pueblo". Son las siguientes:

-- 13 (14): El discurso pronunciado por el primer secretario vietnamita Le Duan en el pleno de diciembre, tomado de "Hoc Tap" de febrero.

-- 14 (15): La decisión del pleno de diciembre del PC indonesio (publicada en "Harian Rakjat" el 15 de enero), en aprobación del informe de Aidit descrito en la Cronología, 23 de diciembre.

-- 15 (16): Un editorial del órgano "Akahata" del PC japonés el 11 de febrero citando a Mao con aprobación y atacando el revisionismo.

-- 16 (17): Un discurso pronunciado el 18 de febrero por el jefe Wilcox del PC neozelandés en una Escuela del Partido en Cantón atacando a Krushev y Suslov y rindiendo tributo a Mao.

-- 17 (18): Un editorial de 2 de marzo del órgano norcoreano "Nodong Sirmun" en honor del 45° aniversario de fundada la Tercera Internacional, condenando (aunque sin identificarlos) a los revisionistas contemporáneos.

-- 18 (19): El llamamiento del "congreso nacional" de 22 de diciembre de los comunistas disidentes belgas prochinos encabezados por

Grippa (Crono, 3 de enero), con un editorial de Grippa publicado en "La Voix du Peuple" el 13 de marzo.

-- 19 (20): Un editorial del órgano albanés "Zeri I. Popullit" de 1º de marzo titulado "Kruschev adultera las ideas de Lenin para abrir brecha a su línea proimperialista".

-- 20 (21): Un artículo de la edición de diciembre de "The Australian Communist", publicación de los "marxistas-leninistas australianos" prochinos atacando a "Kruschev y su camarilla" mientras "rebaten las calumnias del PC australiano contra el PC chino".

-- 21 (22): Un discurso pronunciado el 8 de febrero en Medan por el segundo vicepresidente Njoto del PC indonesio y publicado en el "Harian Rakjat" el 10 de febrero. Njoto hace frente a una "ridícula" acusación de que el PKI es "antisoviético":

"Decididamente no es el PKI el que es antisoviético sino aquellos que son, en realidad, indiferentes a la suerte del primer país socialista fundado por Lenin. Permiten a la cultura decadente del Occidente infiltrarse en la Unión Soviética. No de palabra sino en los hechos permiten la tendencia hacia la restauración del capitalismo crecer en los países socialistas".

-- 23 (24): Un artículo de la edición de enero del órgano "Hoc Tap" norvietnamita titulado "La vía correcta para defender la paz mundial", en la cual se atacan las opiniones de los revisionistas contemporáneos sobre esa materia.

-- 24 (25): Otro artículo de la edición de enero del "Hoc Tap" titulado "Paz y Revolución".

-- 25 (26): Un artículo de 3 planas del diario "Akahata" del PC japonés en su edición del 10 de marzo, bajo el titular "Minuciosa e íntegramente desbaratar las falacias adelantadas por los revisionistas contemporáneos para glorificar el imperialismo norteamericano".

-- 26 (27): Un artículo de la edición 23 de 1963 del órgano "Keun-rojo" (Laboriosos) del PC norcoreano que hace enfático que "la lucha contra el modo de vida burgués occidental es un importantísimo aspecto de la lucha contra el imperialismo y el revisionismo contemporáneo".

-- 27 (28): Un discurso del miembro Ramiz Alia del Politburó albanés condenando el revisionismo contemporáneo y un editorial del "Tien Phong" (Vanguardia), órgano de la Unión de la Juventud Obrera norvietnamita, llamando a la juventud a combatir el revisionismo contemporáneo.

18-21 Marzo: Una reunión ejecutiva de la Federación Sindical Mundial (FSM) en Sofía fue teatro de otra ardua batalla entre las fuerzas aoviéticas y chinas, de acuerdo con informaciones que se

han colado. El corresponsal en Sofía de la agencia yugoslava Tanyug informa el 27 que el delegado chino, apoyado por el indonesio, el norcoreano, el norvietnamita y el japonés, "aprovechó todas las oportunidades de provocar una agria polémica y llevar las opiniones de la dirección del Partido y el estado chinos al escenario sindical internacional". "En primer lugar los representantes chino e indonesio pretendieron hacer declarar al vicepresidente Menlis de Ceilan persona particular en Sofía porque los sindicatos ceilaneses se han escisionado". Los chinos manifestaron que la FSM y su secretario general Louis Saillant estaban apoyando la política exterior de un gran estado -- "aludiendo claramente a la Unión Soviética". "En Sofía los chinos pretendieron tener un monopolio de la verdad absoluta, la infalibilidad y el derecho a sermonear a todos. Además, esta no es la primera vez que ha sido posible percibir que los chinos pretenden crear una central sindical internacional -- evidentemente fuera de la FSM" -- basada en las ideas chinas.

18 Marzo et seq: Una breve noticia húngara el 8 declaró que el Ministerio de Relaciones Exteriores había expulsado aquel día a Vasil Tasellari, agregado comercial de la Embajada albanesa, "el cual" abusando de su derecho a la inmunidad diplomática, en contravención a la ley, se inmiscuyó en los asuntos internos de la República Popular Húngara". Una noticia aun más breve el mismo día pero en apariencia no relacionada manifestaba: "El Ministro del Interior ha puesto a Sandor Nagy ... bajo detención preliminar bajo sospecha de incitación".

El día 20 la Cancillería albanesa denunció la expulsión -- "otro acto hostil en continuación de actividades antialbanesas llevadas a cabo por la dirigencia húngara en años anteriores con intención de agravar las relaciones..." Pasó a exigir el retiro dentro de las 48 horas de un agregado, Lajos Evy, de la Embajada húngara en Tirana.

El 21 varios corresponsales en Budapest informaron que "fuentes húngaras bien informadas" vinculaban la expulsión del albanés con el arresto de Nagy, ganador del Premio de la paz de Stalin, uno de los stalinistas acérrimos que nunca habían aceptado la actitud moderada de Kadar. Se decía que Nagy había circulado material que demandaba el derrocamiento del régimen de Kadar (el corresponsal Underwood del "NY Times" declaró que propugnaba el asesinato de Kadar) y que había sido impreso en Albania por complicidad de Tasellari.

Un despacho de Reuters fechado el 29 informaba que "otros detalles del arresto reciente de Sandor Nagy ... revelaron que iba a encabezar un 'nuevo Partido Comunista' en Hungría en apoyo de los chinos... De acuerdo con informes sin confirmación, varios centenares de partidarios de Nagy ... fueron detenidos o pesquisados por la policía húngara en los últimos diez días". Reuters añade que el grupo que rodeaba a Nagy "colaboraba estrechamente con el Partido albanés que ... suministraba fondos y hasta una imprenta, declaraban las fuentes".

20 Marzo: "La Voix du Peuple", órgano de los disidentes belgas prochinos de Grippa, publica un extenso informe describiendo la primera edición (de marzo) de "Nuova Unitá" mensuario italiano prochino que lleva el subtítulo "Por la Victoria del Marxismo-Leninismo". El informe contiene extensos trozos de su plataforma y reproduce un mapa demostrativo de los centros del "verdadero marxismo-leninismo en Italia".

22 Marzo: El "Sunday Times" de Londres publica un despacho de Pekín en el cual Jacques Marcuse informa que "peritos extranjeros" allí creen que "una reptura política formal de China con Rusia es ahora muy definitivamente probable" y que "la ocasión sería la conferencia internacional 'marxista-leninista' que se reuniría aquí a invitación del PC chino y 'desenmascararía' y condenaría el re-visionismo contemporáneo y Nikita Krushev". Informa que a los rumanos se les manifestaron las intenciones chinas durante sus conversaciones a principios de este mes. Budapest anuncia oficialmente la próxima visita de Krushev.

22-28 Marzo: La 6ª asamblea del Consejo de la Organización de Solidaridad de los Pueblos Afroasiáticos (OSPA), celebrada en Argel bajo la presidencia del argelino Mohamed Yazid fue escenario de una violenta batalla chino-soviética. Empezó con el discurso del 23 de marzo de Kuo Chien, jefa de la delegación, que atacó violentamente las pautas de conducta soviéticas. En su denuncia de la propuesta de Krushev sobre solución pacífica de las querellas territoriales y fronterizas como "el razonamiento más absurdo y reaccionario", se dice que ella declaró:

"Ahora bien, si alguna gente le pidiera a los pueblos afroasiáticos capitular incondicionalmente ante la agresión de los imperialistas y de los colonialistas antiguos y actuales bajo la engañosa consigna de que no se permite ningún empleo de fuerza para resolver querellas territoriales, el pueblo chino responderá categóricamente "No, mil veces no", y dirá a esa gente: 'Vuestro expansionismo y egoísmo nacional por mucho tiempo han dificultado trazar una línea entre vosotros y los imperialistas y colonialistas, antiguos y nuevos'. Como que 'díme con quién andas y te diré quién eres', no tiene nada de particular que se pongan del lado de los imperialistas y colonialistas. Pero jamás conseguirán engañarnos a nosotros pueblos de Africa y Asia".

El 25 el delegado soviético Bibodjan Gafurov fustigó el discurso de la Chien, manifestando que otras delegaciones le habían pedido no contestar a las "calumnias" chinas. Los chinos y algunos africanos interrumpieron con protestas y demandando el derecho a replicar. Los chinos de nuevo demandaron el derecho a replicar después de concluirse las reuniones públicas, pero se informa que Yazid prohibió otros choques chino-soviéticos, manifestando que: "Argel, capital de Argelia y capital afroasiática, no debe convertirse en capital de la desunión afroasiática". El presidente argelino Ben Bella, en su recepción en honor a los delegados el 26, declaró: "Queremos que

nuestros debates sean, primero y ante todo, afroasiáticos. Permaneceremos vigilantes para que estos debates se queden en la esfera afroasiática".

El periódico argelino prosoviético "Alger Republicain" el día 24 criticó la conducta china, con el epígrafe: "La única nota discordante". El 25 el órgano central checo "Rude Pravo" condenó la conducta "descabellada" china, declarando que el discurso de la Chien había "cumplido las más tenebrosas previsiones," caracterizado por "histeria antisoviética". "La delegada china ridiculizó el esfuerzo por adelantar económicamente a los países en desarrollo y caracterizó de insensata y hasta fraudulenta toda esperanza de evitar la guerra". El comentarista checo Hochman indica también que "a los delegados no les pasó inadvertido que a la delegada china se le 'olvidó' incluir a Francia en su lista de fuerzas imperialistas".

A pesar de la repulsa del público a sus rencillas, sin embargo, Gafurov el 27 sostuvo una conferencia de prensa para dar mayor expresión a sus puntos de vista, la Kuo Chien ripostó el 28 con su propia conferencia de prensa para contestar a las calumnias y tergiversaciones soviéticas!

24 Marzo: Anuncian los germanoorientales que una delegación militar soviética encabezada por el Ministro de Defensa mariscal Malinovsky hara "una visita oficial de amistad" a la RDA a invitación del Partido y gobierno.

25 Marzo: La delegación del PC japonés encabezada por Hakamada que había realizado conversaciones con el PCUS en Moscú del 28 de febrero al 12 de marzo (ver Crono, 13 de marzo), completó "conversaciones cordiales y amistosas sobre materias de interés común" con el PC chino en Pekín del 21 al 25 de marzo. Liu Shao-chi y Chou En-lai fueron los participantes chinos de mayor rango. El 27 volaron a Pyongyang a "hacer una visita" y aterrizaron "entre entusiastas vítores".

27 Marzo: El diario "L'Humanité" del PC francés informa que en una reunión el día anterior el CC reafirmó su condena de las posiciones dogmáticas y actividad cismática y demandó la convocación sin demora de una asamblea de todos los partidos comunistas y obreros.

APENDICE A LA CRONOLOGIA

29 Marzo: La prensa de Pekín anuncia la formación del "Partido Comunista de Australia -- Marxista-Leninista" con E.F. Hill de presidente.

En Budapest, la delegación china al VIII Congreso de la Asociación Internacional de Juristas Democráticos (AIJD) que comienza allí en 31, expide un comunicado a la prensa que declara:

"Es de lamentarse que ciertos miembros responsables de la AIJD hayan adoptado una actitud extremadamente antidemocrática, pretendiendo monopolizar todo lo concierne a la agenda del VIII Congreso, los informes y la manera en que ha de conducirse el Congreso, con el fin de imponer la línea errónea de política exterior de cierto país ...

"La delegación china declara solemnemente: ciertos miembros responsables de la AIJD, que están prosiguiendo una línea política errada, y que mientras rinden tributo verbal a la unidad se dedican en realidad a la escisión, deberán llevar la íntegra responsabilidad por las graves consecuencias que puedan producirse en el VIII Congreso".

29-30 Marzo: "Pravda" informa el día 29 informa que el secretario general Morris del PC canadiense, hablando ante el XVIII Congreso del PC holandés, declaró que la situación en el movimiento comunista internacional demanda que el Congreso se exprese con respecto a convocar un congreso mundial, que deberá ser en un futuro próximo. El día 30 "Pravda" informó que el secretario Hukster del PC holandés apoyaba la propuesta por una conferencia mundial. (Informa "Pravda" que asistieron representantes de los PC soviético, búlgaro, húngaro, francés, finlandés, belga y danés).

31 Marzo: Pekín publica el número ocho de la serie de artículos conjuntos de "Bandera Roja" y "Diario del Pueblo" en contestación a la carta abierta del PCUS del 14 de julio: una arenga de 15.000 palabras titulada "La Revolución proletaria y el revisionismo de Krushev". [Tenemos a mano solamente el resumen de la Agencia Nueva China como base para los breves comentarios a continuación; resumiremos el artículo en forma más completa en nuestra próxima edición].

El artículo empieza declarando que "la traición al marxismo y al proletariado por los revisionistas siempre se ha manifestado con la mayor intensidad en su oposición a la revolución violenta y a la dictadura del proletariado, y en su apoyo a la transición pacífica del capitalismo al socialismo. Este es también el caso del revisionismo de Krushev. En este asunto Krushev es discípulo de Browder y de Tito así como de Bernstein y Kautsky".

Los chinos declaran que ellos ya se habían expresado en contra de las opiniones de Krushev sobre la "transición pacífica" y la "vía parlamentaria" desde cuando él las expresó en 1956 en el XX Congreso del PCUS y que hicieron concesiones para permitir que las formulaciones soviéticas fueran incorporadas en los documentos de Moscú de 1957 y 1960. Sin embargo, "la dirigencia el PCUS ha aprovechado estas debilidades y errores ... y los ha utilizado como excusa para mercar el revisionismo krusheviano". Los chinos luego "solemnemente declaran" que "es necesario emendar la formulación de la cuestión en ambas declaraciones por medio de las consultas conjuntas entre los partidos comunistas y obreros para que se adhiera a los principios revolucionarios del marxismo-leninismo".

En otra chufleta a Krushev, declaran los chinos que "Krushev mismo es el que ha heredado el manto del tratskismo y que se incorpora a los tratskistas de hoy". Y más: "Krushev es el mayor capitulacionista en la historia".

Luego de citar a los líderes comunistas de Irak, Argelia, Francia y "la camarilla de Dange" en India como malos ejemplos y al camarada Fidel en Cuba como brillante muestra, demandan acción -- contra Krushev:

"¡Ha llegado la hora -- y con mucho retraso -- de repudiar y liquidar el revisionismo krusheviano! Aquí queremos dar a los camaradas dirigentes del PCUS un buen consejo: en vista de que tantos oportunistas y revisionistas han sido echado al basural de la historia, ¿por qué se obstinan en seguirles sus huellas? Aquí también expresamos la esperanza de que los camaradas dirigentes de otros partidos fraternos reflexionen sobre esto: ¿qué les ha valido seguir la línea revisionista de los dirigentes del PCUS? ... Creemos que todos los que son revolucionarios proletarios se decidirán en último caso por la línea revolucionaria y rechazarán la línea antirevolucionaria; en último caso escogerán el marxismo-leninismo y rechazarán el revisionismo. Abrigamos grandes esperanzas en este sentido".

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Recognizing Communist China?

DISCUSSION AND ACTION:

1. "Recognition will reform the Chicoms." This is an up-to-date version of yesterday's theme, no longer so widely repeated, that we should recognize Communist China and treat her with kid gloves in order to woo her away from Soviet Russia and make Mao Tse-tung a second Tito. It is said that recognizing the Chicoms and bringing them into the United Nations will make them more moderate, cooperative, responsible and peace-loving. The advocates of this view contend that this approach worked in the case of the Soviet Union and therefore will work with Communist China. We reply that most countries recognized the Soviet Union in the Twenties (the U.S., one of the last, in 1933) and that most of Stalin's crimes -- the blood purges, the pact with Hitler, annexation of vast territories adjoining Russia, etc. -- were committed well a f t e r that time, not at all influenced by diplomatic ties with the civilized world. Even today, the Soviet rulers still want to "bury" us and whatever improvement in their international behavior may have occurred, is due to free-world strength and pressure and to the gradual internal development of the Soviet Union away from its one-time revolutionary aggressiveness.

Mao Tse-tung himself recently predicted to a group of French parliamentarians that Khrushchev would be overthrown and that the Russian comrades would return to the true Marx-Lenin path of violent revolution. We point out that, given Communist China's point of view, granting recognition to her will be seen by the Chicoms as appeasement and can only confirm her leaders' erroneous and dangerous pre-conceptions regarding the effectiveness of hostile policies toward the rest of the world and the "inevitability" of Communist victory (the "wave of the future").

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768 EE, WE. Nuclear-Free Zone for Scandinavia? What's Behind the Kekkonen Plan?
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BACKGROUND: Since the fall of 1957, Soviet leaders, and other leaders friendly to the USSR as well, have periodically proposed "peace zones" or atom-free zones for various parts of the world. For example, the Soviets suggested atom free zones in the Baltic (September 1957 and June 1959), the Balkans (January 1958 and May 1959) and Far East (March 1958 and January 1959), while the most famous proposal of all, the Rapacki Plan, was first submitted by Poland in October 1957. The Soviets and their friends have suggested almost every area of the globe as a candidate for such a zone; the only significant exceptions are Western Europe, the United States, and the USSR itself. The Mediterranean, Antarctica, Africa, the Middle East and Latin America are all areas which have been nominated for this status.

In the case of Antarctica, the Soviet, UK, and US governments signed a treaty on 1 December 1959, banning tests and providing for a non-militarized status enforced by observers. The US is also sympathetic to nuclear-free zone proposals for Latin America and Africa, providing that they are effective (i.e., verified) and agreed to by all concerned. But proposals for atom-free zones elsewhere, and particularly in Europe, represent a disguised attack on Western political and strategic positions.

As in the case of their general disarmament proposals, it is difficult to say whether the Soviets have the slightest belief that their nuclear-free zone schemes might be accepted by Western governments. Whether these schemes are adopted or not, they can be used against the West. Even if acceptance is impossible, the Soviets can use the slogan of the "atom-free zone" to suggest that they are the peace-loving camp, and to put the West in the apparent position of rejecting proposals promoting peace. Many prominent Westerners, including George Kennan, the late Hugh Gaitskell, Jules Moch, and Paul-Henri Spaak, have suggested plans of their own for demilitarizing Central Europe, and the general concept of such a demilitarization evidently has a wide appeal. Unsophisticated people have been easily misled by the Rapacki version of this concept, which would virtually eliminate NATO bases in Europe (which are largely in West Germany) while only pushing Soviet nuclear forces back to Brest-Litovsk--assuming that such a Soviet withdrawal actually took place, a matter by no means assured by the Rapacki proposal, which did not provide for inspection or verification. When such unsophisticated people see their governments reject the Rapacki or similar plans, they do not recognize these reasons--sometimes because no one has taken the pains to point the reasons out--and they think their governments are negligent in furthering peace, if not outright "warmongers" and "militarists".

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On 28 December 1963, Polish Premier Gomulka announced in a speech that a new plan was being prepared, which instead of barring nuclear weapons would freeze them at their present strength. "Naturally," Gomulka said, "a proper system of control should be agreed upon." The proposal appeared to recognize that NATO could not abandon its Central European positions, and that verification of the freeze would be necessary. Actually, however, the Gomulka proposal resembles the first stage of the old Rapacki plan, and seems to have the same basic faults: Soviet missiles in the USSR would not be controlled while NATO missiles would be; also, the plans for control would not (so far as we can tell at present) be effective. But there has not yet been much public discussion of this plan and little is known of it as yet.

Much more in the spotlight is the Kekkonen Plan for an atom-free zone in Scandinavia. At present, the plan for barring atom weapons is known by Kekkonen's name because he was induced to propose it in May 1963. Despite Finnish denials of outside influence, the plan was originally Soviet, and apparently the Soviets decided to get Kekkonen to revive it, giving it less Moscovite overtones. The Communist parties in Norway, Sweden, and Denmark are making all the publicity they can for the plan, and they are supported by some left Socialists and pacifists. In mid-March, a conference on "Norden -- an Atom Free Zone" met in Stockholm. This campaign is tied in with the Khrushchev visit next June; the Soviets have tried to prepare the way for him with visits by cosmonauts and by Foreign Minister Gromyko, as well as by entertaining the Danish Prime Minister in Moscow. It would not be surprising if Khrushchev should use his visit to make propaganda speeches in favor of the Kekkonen Plan.

When the Soviets made their proposal of a Scandinavian atom-free zone in 1959, the Scandinavian governments and public media replied that the proposal was one-sided, and that the Soviets should also remove weapons from parts of their own territory. Khrushchev at that time refused to consider this, stating in a speech on 17 July 1959:

"The proposal for an atom-free and rocket-free zone in part of Soviet territory has no practical meaning whatever under present conditions. If we take into account the long range and power of modern rocket and nuclear arms, 200 or 300 kilometers is of no real importance. Thus, the creation of a rocket-free and atom-free zone on a portion of Soviet territory would not be a guarantee for the Scandinavian countries."

This frank statement must have made some people wonder just why the Scandinavians should ban weapons from their countries, unless their policy was simply to be "Do anything Khrushchev asks."

The Kekkonen Plan has met with some of the same reaction as its Soviet predecessor. On 20 January 1964, Norwegian Premier

Einar Gerhardsen told a press conference that it did not seem reasonable to discuss a free zone unless it embraced parts of the USSR. At a meeting of the Nordic Council in Stockholm in the week ending 21 February (this is a semi-official conference devoted to trade matters, not to be confused with Norden), two speakers (Aksel Larsen of Denmark and Aarne Saarinen of Finland) unexpectedly raised the issue of a nuclear-free zone. The Swedish Premier, Dr. Tage Erlander, replied that Sweden was only interested in nuclear free zones if they were on a larger scale and were part of a general disarmament program; Swedish proposals, such as the Unden plan for a "non-nuclear club," were intended to involve services by the great powers in return for commitments by the smaller countries. However, the Swedish Communist paper Ny Dag argued on 6 March 1964 that the Swedish government should be flexible about the return it expected, and make new proposals, while on 3 February the Norwegian CP newspaper Friheten hinted that the Soviets might consider proposals for including some Soviet territory in the zone, and also suggested that the zone might include Iceland, Greenland, and northern parts of North America. Friheten stated:

"Prime Minister Einar Gerhardsen at his last press conference raised the idea of extending the area to include parts of Soviet territory also. This would seem to present a problem in thus involving one of the big nuclear powers for whom it is essentially a different matter; but it would no doubt be possible to get the Soviet Union to submit its views if contacted.

We think it might be useful to discuss in addition the question of whether the four Nordic countries might also examine possibilities for further expanding the area: southwards, eastwards, and westwards as well. Besides sectors of the northern areas of the Soviet Union, Iceland and Greenland, as well as northern regions of American territory, could be brought up under such a discussion."

Thus the Communists are behaving quite flexibly in their campaign and startling new proposals, for example from Khrushchev, may yet appear. If the Soviets could evoke it, neutralist action by the free Scandinavian countries would not only deflect those countries from Western ties, but would also evoke sympathy and imitation in other areas.

The barring of nuclear weapons in this area is probably in itself of little interest to the Soviets. There are not now any nuclear weapons in Scandinavia, and current NATO policy favors phasing out land-based nuclear rockets in favor of Polaris systems, rather than increasing the numbers and dispersion of land-based rockets in Europe. There is no sign that the US government has any desire to place nuclear weapons in Norway or Denmark, the two Scandinavian members of NATO. Thus there is something a little unreal about this whole campaign, whose

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purported aim is to make the present situation a permanent one. The Communists make a virtue of this apparent triviality, and suggest that there is nothing to be lost except the tempers of the warmongers. Yet this atom-free zone campaign has great strategic and political significance.

The persistence with which the Soviets push their plan for an atom-free Scandinavia, inducing Kekkonen to lend his name to the project, mobilizing local communist parties, and organizing front groups and meetings, shows that they are out to do something more than formalize an existing absence of nuclear weapons. We will not know precisely what Soviet objectives are until that unlikely time when all the Soviet leaders publish exhaustive memoirs and when they open the archives of the Kremlin. Yet certain Soviet intentions can be estimated from the known facts of the situation. It appears that the leaders of the USSR may have the following aims in mind:

1. The Soviets may seek to keep the Swedes from acquiring an independent nuclear capability. Like the Swiss, the Swedes have traditionally acted to safeguard their neutrality by keeping their armed forces sufficiently strong and up-to-date to discourage any aggressor. In recent years, public discussion has taken place in Sweden on the question of acquiring an independent nuclear force. Swedes naturally hesitate to undertake the high costs of a nuclear weapons program, and they are in the fortunate position of being, in effect, defended by NATO without having to belong to NATO. Yet if Sweden should embark on a nuclear armament program, it could probably have a primitive nuclear capability by the end of the decade.
2. The Soviets may wish to keep Polaris submarines out of the Baltic. The proposal to make the Baltic a "Sea of peace" goes back to 1955. Baltic disarmament is sometimes linked with Scandinavian disarmament, the chief difference being the involvement of the two Germanies. West Germany would probably refuse to join in barring nuclear submarines from the Baltic, both for defense reasons and because it would not join in any agreement with East Germany. Of course, even a refusal on these grounds would provide propaganda material for the Communists.
3. The Soviets probably wish to weaken NATO militarily by denying it auxiliary naval and early warning posts in Norway and Denmark. If the zone could be extended further, for example to Central Europe or (as Friheten suggested) to Iceland and Greenland, the effect on NATO would be more serious still.
4. The Soviets almost certainly wish to weaken NATO's political unity; this has been shown for years past by their attacks on the "Bonn Revanchists," by the Rapacki-Gomulka plans, by propaganda against the Common Market, and recently by their efforts to encourage Cypriot intransigence. The atom-free zone proposals which the Soviets have pursued

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most energetically, including the Scandinavian free zone, have been those in some way affecting NATO. The Scandinavian free zone would in practice involve the withdrawal of Norway and Denmark from NATO; Soviet propaganda would hail this as the first step toward the downfall of the Western alliance and as a recognition by these countries of the aggressive and militarist nature of that alliance. To the extent that the atom-free zone campaign succeeds, it will encourage neutralism everywhere.

5. Khrushchev may see Scandinavia as a fertile field for winning a prestige success, especially in competition with the Chinese. Since the Cuban crisis, the only move the Soviets have made which has hurt the Chinese and helped their own case within the movement has been to accept Anglo-American proposals for a limited test ban treaty, arranging to have that treaty signed in Moscow. Khrushchev's 31 December 1963 message to chiefs of governments, proposing a peaceful settlement of all disputes except those the Soviets wish to aggravate, was a transparent attempt to further his own claim to be chief Peacemonger. If an atom-free zone agreement could somehow be sold as a Kekkonen Plan, Soviet propaganda could later tie it up with Khrushchev's Scandinavian visit and rename it the Khrushchev Plan.

6. Conceivably, Khrushchev may believe that, in Scandinavia, he can prove his ability to exploit "peaceful coexistence" propaganda to gain solid political influence. Finland is already dangerously subject to economic and political pressure from Moscow; no Finnish government can be formed if it contains what the Soviets consider "anti-Soviet" elements. Fear of Soviet displeasure has excluded the Finnish Social Democrats from office for years, and as recently as last February, Pravda indicated that despite the resignation last year of the old Social Democratic Chairman, Tanner, the Soviets' "worst enemy" in Finland, the SDP was still beyond the pale. What independence the Finns retain is due to the armed neutrality of Sweden, and the NATO ties of Denmark and Norway. Once they were all disarmed and severed from NATO, the Scandinavian countries would be exposed to peaceful penetration and domination; at best, they might enjoy the present status of Finland; at worst, that of Czechoslovakia. If Khrushchev could show his ability to make "peaceful coexistence" pay off in practical terms, he would be less exposed to Chicom criticism within the Communist movement. (Even if Moscow gains nothing else, Finnish advocacy of a Soviet plan tends to isolate Finland from the rest of Scandinavia.)

Fortunately, the Scandinavian leaders have a rich fund of political experience, and they are not so naive as to be misled by mere slogans; as Erlander's remarks show, they expect to get something in return if they grant something. Unfortunately, however, some individuals in the Scandinavian countries are susceptible to any program which calls itself peaceful.

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769 EE,WE NATO's Multilateral Force Proposal

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BACKGROUND: During the winter of 1963-1964, a working group, with representatives from Belgium, West Germany, Greece, Holland, Italy, Turkey, the UK, and the US, met in Paris to discuss proposals for a multilateral nuclear force. It is possible that sometime this spring this working group may issue a report to the governments represented, and if this should happen, public and parliamentary discussion of the MLF concept will probably become more active. Although France has already refused to join in any MLF, and has taken no part in the workinggroup's discussions, French newspapers and other media will doubtless also join in any widespread debate on the merits of such a force.

Purpose and Proposal. The plan for a multilateral force originates in the desire of the US government to promote the cohesion of NATO, to keep NATO weapons systems up-to-date, to inhibit the proliferation of national nuclear forces, and to offer NATO governments (particularly the West German government) a satisfactory means of participation in NATO nuclear planning and operations within the framework of NATO itself. Specifically, the plan under consideration calls for a force of approximately 25 merchant-type ships, armed with some 200 Polaris A-3 missiles. This force would be owned, controlled and manned by those NATO countries deciding to participate, under a Commission made up of representatives from these countries. NATO countries not joining at the outset would still be allowed to join later on.

No member country would contribute more than 40% of the cost of the force, and each ship would be manned by personnel from at least three countries, with no country providing more than 40% of any crew. Crews would be under 200 men each, and the total force, including the operating agency, would number less than 10,000 men. During the first five years, the average annual costs for participating European countries would be between 3/4 of one percent and four percent of their average annual defense outlays; for a European country assuming a tenth of the total cost, the average annual cost in the first five years would be \$46 million, dropping to an average of \$16 million in later years. (Costs would be 50 to 75 percent of the cost of building a submarine force with the same number of missiles, and virtually all the participants can share in building the ships; further, the building of this force would take less than three-fourths of the time required to build a comparable submarine force.) Any use of the missiles would necessarily be coordinated with US strategic forces, which are much larger and which have current intelligence and plans essential for effective operation; for the foreseeable future, the US would be a member of the force. US representatives have stated, however, that the MLF might possibly become a purely European force at some future time if Europe achieves the necessary degree of unity, with the British and French merging their

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nuclear armament programs into a common European program. For the present proposal, US participation will be subject to the approval of the US Congress.

Advantages. US representatives have never suggested that this plan was sacred, or above criticism, but so far it appears to be the best solution proposed for the problems involved; the Eisenhower, Kennedy, and Johnson administrations have all supported it. NATO cannot work smoothly if there are two classes of members: a nuclear club and a remainder who provide infantry. An increase in the number of national nuclear forces means an increase in the danger that some future Hitler (or Stalin) might touch off a nuclear holocaust. And under present conditions, European forces can only constitute credible deterrents to Soviet aggression if they are coordinated with the principal military forces in the West, those of the US.

The MLF is designed to solve these problems. Its advantages include:

1. It gives Germany and Italy equality without arousing any justified fears. Germany and Italy cannot be expected to accept an inferior status, and refusal to permit West Germany to share in a nuclear force would encourage the tendency of Franz Josef Strauss and others to demand national nuclear forces -- which in turn would cause alarms in the West and perhaps provoke Soviet political or military action.
2. It keeps nuclear armament in the NATO framework. DeGaulle is disposed to keep French forces as independent as possible. He would like to enlist German support for the force de frappe, in effect splitting NATO.
3. It averts nuclear proliferation with its attendant evils. Every new nuclear power makes disarmament agreements more difficult and increases the danger of nuclear war. Only the wealthiest nations can bear the expense of national nuclear weapons without imposing hardships on their peoples.
4. It fills a real future defense need. The Supreme Allied Commander in Europe (SACEUR) desires a counter to Soviet medium range missiles in Europe.

The proposed MLF will have as much delivery power as the whole UK nuclear force and much more power than the force de frappe.

5. It will not be dangerous or provocative. The MLF will be located at sea, and at no fixed point. It will not attract attack to populated areas. It will be a second-strike force, that is a force capable of surviving an enemy first strike, and therefore not a force which must be used first if it is to be used at all.
6. It will provide a new US commitment to the defense of Europe. DeGaulle and others sometimes suggest that, at some future time, in a European crisis, the US might not use its weapons, in the hope that the Soviets would confine their attack to Europe. Actually, the Soviets would hardly dare to leave US strategic forces untouched while attacking NATO forces (including US forces) in Europe. At all events the MLF places warheads under joint control, prevents their withdrawal from Europe by the US, and more firmly involves the US in a nuclear association with European countries.

Another advantage, of less apparent interest to Europeans, should also be mentioned: the establishment of an MLF would spread the burden of NATO defense more widely, taking more of the weight off the shoulders of Uncle Sam. Actually, it would serve the long term interests of Europe itself if US balance-of-payment difficulties were eased.

Attitudes toward MLF. Government leaders in Germany, Italy, Turkey, and Greece favor the MLF. France, as noted, has already declined to participate. The UK has not ruled out participation, but both the Conservatives and Labour have strong doubts about the concept. The Tories are more nationalistic and wedded to tradition (including the Royal Navy), and they are committed to maintaining a UK national force. Labour opposes all non-US nuclear forces (including UK and, especially, West German), suggests an emphasis on conventional forces (which by itself would be welcomed by the US), and one of its spokesmen (Patrick Gordon Walker) has argued that European nations should share in planning and controlling US strategic nuclear forces by a directorate or consultative committee. This last has not appealed to other Europeans, and the US Congress would hardly sanction such a proposal. Other NATO countries, particularly Holland and Belgium, will tend to follow the lead of the UK.

Various arguments are advanced against the MLF. Information already given above serves to dispose of some of these arguments: e.g., that the force is strategically insignificant and was only proposed for political reasons; that the MLF would be prohibitively expensive; or that the US might take its missiles and go home. The Soviets and some West Europeans argue that sooner or later this MLF will help to give the West Germans nuclear weapons, nuclear know-how, and nuclear independence, thus promoting rather than blocking the proliferation of nuclear weapons, and indeed giving them to the "Bonn militarists." Those impressed by such criticism should realize that, within the MLF, the division of crews and the use of Permissive Action Link controls will prevent national use of the weapons without outside (inter-allied) agreement, while in the long run technical knowledge is no significant barrier to a West German nuclear capability; aside from enlistment in something like MLF, the only long-term way to keep West Germany from independent nuclear armament is to carry out general disarmament, verified by inspection. It is foolish to think that Germany can be kept permanently in an inferior status. Others critics, like Lord Beaverbrook's Daily Express, try to make fun of the concept of a multi-nation force, considering the idea preposterously unworkable. They ignore the fact that, for centuries, merchant ships have been manned by sailors from many nations.

Most criticisms of the MLF stem from ingrained habits of thought and hallowed national traditions, rather than from rational analysis. These habits and traditions are not to be pooh-poohed; we share them regarding our own country. Men are taught that their country is always right, that everything which tends to build up their country is good, and that they should be prepared to die for their country. Most people want their country to be a "Great Power"--especially if it has been one in the past--and today the possession of nuclear weapons is the main criterion of Great Power status. Many people in all areas tend to distrust foreigners, considering them less than fully human; at present many individuals make a career of spreading distrust against West Germany and against the United States. Organizations with long names and initials, with committees and staffs, whose members speak in foreign languages or foreign accents, do not evoke enthusiasm. There is nothing thrilling about them. Some of these organizations might be more popular if they went in more for bands, medals, flags, and ceremonies; if they enlisted more colorful personalities as leaders; if the prose they published was more hard-hitting and less bureaucratic; or if they could uncover some honorable historical antecedents.

Precedents for international forces.

Actually, there is nothing very revolutionary about the concept of an international force. Aside from mixed merchant crews, already mentioned, military organizations from the Roman Legions to the French Foreign Legion have enlisted aliens in their ranks. Multilateral forces have a precedent in the Peking

Relief Expedition of 1900 and in the various UN forces. National leaders are highly tempted to rationalize a national approach which makes themselves look supreme; yet no major modern wars have been fought without alliances, and peacetime plans for military cooperation involve a surrender of absolute sovereignty and a commitment to support allies, as all the major European Powers discovered in 1914. Under today's conditions, peacetime alliance structures must necessarily be strong, if they are to have any value at all. In event of war, there will no longer be time to negotiate and set up organizations. Staffs, early warning radar systems, the exchange of intelligence, common equipment patterns, and common supply systems must all be worked out in peacetime.

The truth is that neither the US nor Europe can deter the Soviets alone; each needs the other. Sovereign, independent action is an illusion when it comes to nuclear warfare. Similarly, the traditional military virtues of ardor in the attack or steadiness under fire have little relevance to nuclear war. There is still plenty of room for national pride and accomplishment, just as there is plenty of room for individual courage and initiative, in non-nuclear warfare as in peaceful activities. But nuclear warfare cannot be used to serve national policies alone; it cannot be handled unilaterally.

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770 AF How The Communists Subvert The African Press

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BACKGROUND: Lacking the Communist parties which in other areas are its principal carriers for propaganda, persuasion and subversion, international communism must rely on individuals and front organizations to do their work in Africa. The burgeoning African press, newly independent, lacking trained personnel and equipment, ambitious for a political role and reflective of the furious nationalism of its leaders is a logical and vulnerable target for Communist penetration. By playing on the anti-colonialist, socialist or neutralist sentiments of many Africans and displaying a strong instinct for putting their money where it will pay off, the Soviet Union and Czechoslovakia have made inroads into Africa. Ghanaian and Algerian media, both distributed beyond their own borders, are vociferously anti-European, anti-capitalist supporters of the Soviet Communist line. (The Chinese effort does not yet equal the Soviet but is reportedly a priority effort and will unquestionably increase with expanded diplomatic and NCNA facilities in the area.) As other East African countries become independent, the familiar pattern of external Communist influence and Communist-serving local extremism will undoubtedly be repeated.

For a description of the Communist methods for infiltrating and influencing the African press, see the unclassified attachment of the same ~~25X1C10b~~

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771 WE. Latin America's Role in the Alliance for Progress

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BACKGROUND: March 13 marked the third anniversary of the Alliance For Progress. On that date in 1961, President Kennedy invited the Latin American ambassadors to the White House and called upon their governments and people to join with the United States in a... "vast effort unparalleled in magnitude and nobility of purpose, to satisfy the basic needs of the American people for homes, work and land, health and schools." The Charter of the Alliance, signed the following August at Punta del Este, Uruguay, was equally optimistic in its intent: "We, the American Republics, hereby proclaim our decision to unite in a common effort to bring our people accelerated progress and broader social justice within the framework of personal dignity and political liberty."

The Alliance, intended to bring about a "decade of progress" has, the following goals (among others): a per capita economic growth rate of not less than 2.5%; "a more equitable distribution of national income"; "programs of comprehensive agrarian reform"; elimination of adult illiteracy; opportunity for six years of primary schooling for all children; increase of life expectancy by five years at birth; reduction of housing shortages; maintenance of stable price levels and stable currencies; joint programs designed to prevent fluctuations in the prices of the Hemisphere's basic products.

Even granting that some of these goals were optimistic, the results to date are disappointing to all concerned. The economic growth rate is the most objective indicator of progress: far from growing at an annual rate of 2.5%, the gross national product of Latin America has barely been able to keep ahead of the birth rate. The attached table illustrates the slowness of the economic growth and the present tendency toward leveling off, or actually declining. It reflects that the per capita income has been increasing at approximately 1.1% per year, with an actual decrease of a fraction of 1% in 1962. Although figures are not yet available for 1963, there are indications that the overall economy of Latin America may have suffered a greater decline than in 1962.

This situation, coupled with the "revolution of rising expectations," and the feeling that the Alliance for Progress would work some sort of miracle, has created among practically all Latin Americans a sense of deep disappointment and frustrated hope. As a result of Communist propaganda and misguided nationalism, a great many, if not most, Latin Americans are now blaming the United States; few blame themselves.


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It is generally agreed among U.S. economists that the most important immediate cause of the economic stagnation of Latin America is the flight of capital: native capitalists seek the security of U.S. and European banks and corporations; foreign investors find better investment conditions elsewhere. It has been estimated that between 5 and 25 billion dollars in Latin American money is invested abroad, certainly enough to implement the investment program of the Alliance for Progress without any outside help.

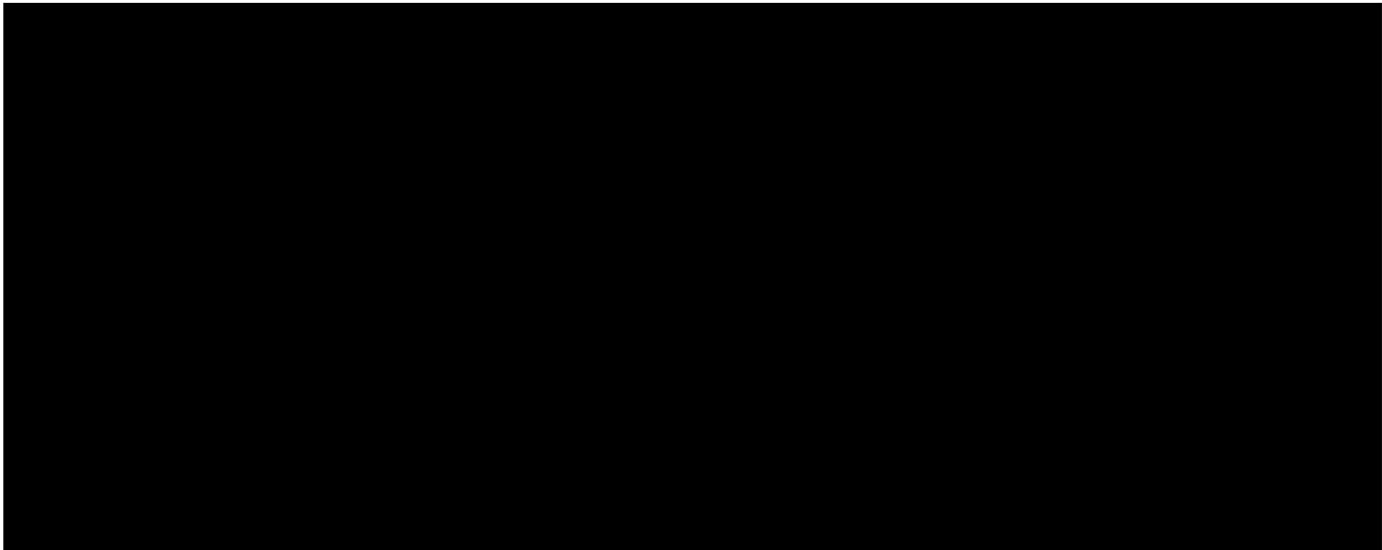
But although we isolate the flight of capital as the most important single cause of economic depression in Latin America, we must recognize that it, in turn, has its roots in prior causes, which are largely political: government instability, threats of nationalization, harassment of private enterprise, discriminatory laws, corruption at all levels of government



Far too much emphasis has been placed on direct government-to-government aid and not enough on the enormous contribution which private investment is capable of making. President Kennedy undoubtedly had this in mind during his last major foreign policy speech when he said in Miami, November 18, 1963:

Private enterprise also has an important role in the Alliance for Progress. There is not enough available public capital, either in the United States or Latin America, to carry development forward at the pace demanded... If encouraged, private investment, responsive to the needs, the laws and the interests of the nation, can cooperate with public activity to provide the vital margin of success; as it did in the development of all the nations of the West, including my own.

Therefore, the Alliance for Progress is not so much the central problem it would appear to be on this its third anniversary. It has merely served to focus attention upon a continuing, more fundamental condition: an economic problem that requires a political solution.



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CZECHOSLOVAKIA FALTERS: 1956-1963

I. Introduction

Czechoslovakia is no longer a model Satellite. Rates of industrial growth, formerly close to the highest among the world's developed countries, have fallen, and an increase of merely 1 percent in industrial production was planned for 1963. The rapid buildup of investment begun in 1956 has given way to a contraction. Plans for a further substantial expansion of Czechoslovakia's already large foreign aid program to countries of both the Bloc and the Free World are in jeopardy, and the government may even have asked for Soviet help. The population, which had seemed to accommodate itself increasingly to the system, has been expressing more openly its dissatisfaction with living conditions. And the Communist regime, which had given an appearance of unity, confidence, and unusual stability for a Satellite country, recently has shown signs of strain, indecision, and division.

In spite of the recent economic difficulties the Czechoslovak Communist regime remains firmly in power, and its economic policies and orientation have not basically changed. The difficulties, however, have made the regime much more cautious in its economic policies, weakened the position of President Antonin Novotny, impaired the image of Czechoslovakia as an industrialized nation achieving rapid economic progress under Communism, and weakened Czechoslovakia's stature in the Soviet Bloc in comparison with countries such as Poland and Hungary, which recently have been more successful in their economic policies.

The rate of industrial growth, which averaged 9 percent per year during 1956-60, declined to 6 percent in 1962, and an increase of only 1 percent in industrial production was planned for 1963. Capital investments expanded rapidly and steadily between 1955 and 1960, increased only 7 percent in 1961, fell by 5 percent in 1962, and were planned to decline again in 1963. Gross agricultural production, which had shown a slow upward trend since 1954, leveled off in 1961 and declined in 1962, reaching the lowest level in 8 years. On a net basis -- after deduction of the value of current inputs -- production in 1962 was estimated to be below any year since 1948-49.

The growing economic difficulties have been reflected in foreign trade. The Czechoslovak export surplus, which amounted to between \$100 million and \$200 million in 1961. The surplus with the West declined each year between 1956 and 1960, although Czechoslovakia was accumulating new credit commitments, and was replaced by a deficit in 1961. In 1962 a much larger surplus again was achieved, and the balance with the West was improved substantially 1) but at the expense of domestic investment and consumption.

But those statistics do not tell the whole story of the economic deterioration in Czechoslovakia. Although total industrial production in 1961-62 was not too far behind the goal

set in the Third Five Year Plan (1961-65) -- an average annual growth of 9.3 percent 2)--the lags were large in branches (such as steel and heavy machine building) on which the regime counted most heavily for sustaining the rate of economic growth in the latter part of the Third Five Year Plan. These cumulating difficulties consequently led the regime to abandon the Third Five Year Plan in mid-1962 and to try to evolve a more successful economic policy.

Although investments had long been the principal basis for industrial expansion in Czechoslovakia, the use of reserves -- of labor, productive capacity, and organization of work -- also had played a role. By the late 1950's these reserves were nearing exhaustion, but their exhaustion was neither sudden nor entirely unexpected. For some years the regime had realized that new ways of increasing economic efficiency would have to be found if the rate of growth was not to decline eventually. For some years also the hopes of the regime for an acceleration of technological change and a marked improvement in the quality and assortment of production had been disappointed, but it had been possible to postpone the day of reckoning. By 1962, however, a further postponement was no longer possible.

The Third Five Year Plan, which was first drafted in 1953 and was in many respects a 7-year plan or perhaps even a 3-year plan, based economic growth mainly on a massive investment program, especially in basic industries, and on the introduction of new technology at an accelerated rate not only in new plants but also through the reconstruction of old plants. The industrial plan relied only to a small extent on increased employment, and only in the machine building industry was it expected to uncover substantial reserves of unused productive capacity. Special emphasis was given to steel and machine building because of the key importance of these industries in the Czechoslovak economy. (Czechoslovakia is one of the world's largest producers and consumers of steel on a per capita basis, and its machinery industry not only supports the bulk of domestic investments but also supplies 45 percent of exports.) A partial decentralization of economic management was undertaken during 1958-60 with a view to stimulating technological change and making production more responsive to demand.

In spite of a recognition by the Communist regime that new approaches to the economy were needed, however, the predominant policy was still to increase the volume of production as fast as possible by any means available. It was planned that past rates of growth in industrial production would be maintained approximately, and the economic system continued to be geared to achieving good quantitative, but not qualitative, results. Bonuses for managers and workers continued to be based mainly on fulfillment of the production plan, and relatively small weight was given to quality, assortment, and technology. Even more basically, no serious attack was made on a characteristic problem of all economies of the Soviet Bloc -- the lack of adequate criteria for making rational choices on the details on

economic activity. Novotny himself, when discussing economic problems at a mid-November 1961 meeting of his Party's Central Committee, admitted this basic weakness in the following words 3):

We do not yet know how to open the way to science and technology in our organizational and planning practice, how to support materially and morally enterprises and institutes that achieve real successes in the implementation of new technology and in scientific work, how to give more advantages to plants fighting for the new as compared with all those which hold fast to backward technology and technique. We have not yet been able to really guide the development of technology and decide on the direction of its development.

Czechoslovakia appeared to be a model Satellite during the late 1950's, as the rate of industrial growth remained high, the growth of investment accelerated, the foreign aid program expanded, and even personal consumption increased. Under the surface, however, economic problems were multiplying. The apparent successes were achieved through favorable weather for agriculture in 1960, by using up some of the few remaining "reserves," and by postponing expenditures wherever possible. Because of increasing demands for nonagricultural labor and the effects of collectivization, the flight of labor from agriculture increased considerably, averaging about 100,000 persons a year during 1957-61.

The postponement of investment expenditures in transportation further increased the strain on existing facilities. The rate of retirement of fixed assets was not increased as planned but actually declined in 1959-60 because of growing pressure on productive capacity. By these means the regime was able to cover up the failure of its program to accelerate technological change. Investments were not completed on schedule, and growing amounts of resources consequently were tied up in unfinished projects. Many new plants were put into operation during this period or soon afterwards -- for example, rolling mills with a capacity of 3.4 million metric tons of steel were installed in the late 1950's 4)--but the new facilities often had serious technical weaknesses that could not be remedied quickly. In many instances, plans for obtaining or applying sophisticated technology were not met. And the quality of products continued to be poor and their assortment ill-suited to the requirements of domestic and foreign users.

By the end of 1960 it should have been clear to the regime that the rate of economic growth had to decline. The introduction of new technology was far behind schedule. Moreover, the continued postponement of retirements and the continued large-scale transfers of labor from agriculture were bound before long to have a negative impact on the economy. Instead of recognizing this fact, the regime actually raised the original goals for production and investments for 1965. The planned rate of industrial growth of 9.3 percent per year for 1961-65 was the same

as that achieved in the previous 5 years.* By pursuing an unrealistic plan for nearly 2 years, by trying to get by with expedient solutions to developing problems, and by allowing ideology to dominate agricultural policy, the regime made the country's economic difficulties worse than they might have otherwise.

III. Economic Policies and Developments in 1961-62

The regime contributed to Czechoslovakia's economic difficulties mainly by overestimating the country's economic capabilities. Too much was expected of economic reforms carried out in 1958-60** as well as of various forms of exhortation and persuasion, and it was assumed too readily that the performance of agriculture would improve. No provision was made for contingencies. Another mistake was to make economic plans reflect the expected gains in efficiency; the new sources of efficiency that were sought could not be developed by putting strong pressure on the producer to raise the volume of current output. Indeed, such pressure was almost bound to impede progress in technology, quality, and assortment, just as it had in the past. By pursuing unrealistic plans the regime probably took away any chance that the decentralization of 1953-60 would stimulate economic efficiency. Indeed, under conditions of high pressure to increase output, the decentralization led mainly to a weakening of economic priorities and a consequent misallocation of resources.

From the beginning of the Third Five Year Plan, Czechoslovakia had difficulty in meeting output goals. The plan for total industrial production was nearly fulfilled in 1961, but there were large lags in production of steel and heavy machinery and some lag also in investments, as is shown in the Table. These lags were especially serious because the phasing of the Third Five Year Plan required a faster buildup of investments in the first part than in the latter part of the plan period. The immediate cause of the lags in production of steel (a growth of 14 percent was planned for rolled steel in 1961, but only 4 percent was achieved) was that planned improvements in technology, especially the use of oxygen in existing plants, were not made. In turn, the shortfalls in steel affected machine building, where technological development also was lagging. Severe strain also was manifested in transportation during 1961, when the railroads found that they could no longer satisfy the increasing demands placed on them. Early in 1961, rail transport became an economic bottleneck in Czechoslovakia for the first time since the Communist takeover and was itself disrupted further as a result of the very uneven fulfillment of the industrial production plan. The lack of reserves in transportation

* The regime claims that output increased by 10.7 percent per year in 1953-60, but this claim is believed to be inflated

** See VII, p. 24, below.

Table
Czechoslovakia: Annual Percentage Increases
in Plans and Plan Fulfillment
1961-62

	Percent			
	1961 (5)		1962 (6)	
	Plan	Actual	Plan	Actual
Total industry (gross)	9.3	3.9	9.3	6.2
Electric power	11	10.3	10	6.6
Hard coal	-1	0.1	4	3.6
Brown coal	8	12	6	6.2
Steel	10.2	4.1	14	3.5
Rolled steel	14.2	4.3	15	3.4
Cement	10	5.3	22	6.9
Heavy machine building	14.1	11.5	15	3.1
General machine building	11.0	12.2	N.A.	9.4
Chemical industry	11.4	12.9	11.3	10.4
Consumer goods	7.2	7.7	6.3	5.5
Foods	5.5	6.9	6.1	2
Retail trade	4.2	3.3	5.6	3.5
Agriculture (gross production)	7.1	0	5	-6
Personal consumption	N.A.	3+	6.2	2.5
Fixed investments	3	7	N.A.	-4.3

was revealed most clearly during the military mobilization measures of the fall of 1961 and again during the unusually severe winter of 1962-62. Another source of concern was the growing number of uncompleted investment projects, reflecting the inability of the construction industry to handle the growing volume of investments efficiently and the inadequate control exercised over new starts.

Gross agricultural production did not change in 1961, and net production declined. Consequently, consumption of food stagnated while, for the first time in several years, there was only a very small increase in consumption of industrial goods. The economic strain was reflected in foreign trade as imports of machinery and industrial materials exceeded plan, and there was a large shortfall in exports of machinery and equipment. Imports from the West rose rapidly, partly because of a very large increase in imports of steel, coal, and wheat to compensate for part of the shortfall in domestic output. Exports of machinery were held down by the lag in output of heavy machine building, by the inadequate assortment of products, and by the sharp decline of trade with Communist China. These unfavorable trends caused a large decline in the export surplus with the Soviet Bloc and a shift from an export surplus to an import surplus with the West -- a situation that could not last, because of Czechoslovakia's large and growing foreign aid commitments and deficit on service transactions.

The regime persisted in regarding economic problems that were developing in 1961 as temporary and hoped to be able to pursue the Third Five Year Plan. An increase of 14 percent in production of steel was planned for 1962 (compared with an average annual growth of about 9 percent for 1961-65) --- enough to make up for the shortfall of 1961. A similarly high plan was established for heavy machine building. Some of the original goals for investments in 1962 had to be lowered, notably in the chemical and metallurgical industries, and the completion of some facilities expected to be in operation in that year was postponed.⁷⁾ Simultaneously the foreign trade balance, especially with the West, was to be greatly improved, and machinery exports were to be increased by 27 percent.⁸⁾

The economic situation grew steadily worse during 1962. Production of steel increased faster than in 1961, but, once again, much more slowly than planned, for essentially the same reasons as in the previous year. Output of heavy machine building increased at about half the planned rate, partly because of the lag in output of steel. Lags in the installation and inefficient operation of new power-generating capacity and a drought that cut the capacity of hydroelectric power-plants caused production of electric power to fall far short of plan and led to a serious shortage of power. Continued shortages of freight cars, as well as uneven fulfillment of production plans, caused disruption in the distribution of industrial materials, as reflected in production stoppages for lack of materials in some places and

unnecessarily large inventories in other places. Total industrial production rose only 6.2 percent compared with a planned 9.3 percent, as the growth of both employment and labor productivity declined. The construction industry also was unable to fulfill its tasks.

Agricultural production declined sharply to the lowest level in 7 years, partly because of unfavorable weather but partly also because of the ill effects of collectivization and subsequent policies of the regime on farmers' incentives. Instead of trying to stimulate interest in raising production and improving techniques, the regime in 1961-62 concentrated on gaining control over an increasing share of output by reducing payments in kind to collective farmers and placing further restrictions on the remnants of the farm market.

The foreign trade balance improved substantially as a result of an increase of 7.2 percent in exports compared with only 2.3 percent in imports,⁹⁾ and the shortage of hard currency was eased. The sharp increase in the export surplus, however, cut into domestic investment and consumption and also may have been partly responsible for the tight supply of industrial materials. Capital investment fell 5 percent below the level of 1961, not only because output of machinery and construction lagged but also because equipment originally designed for domestic use was exported.¹⁰⁾ Similarly the stagnation of personal consumption in 1962 was due both to the decline in food production and to restrictions on imports of foods and increased exports of manufactured consumer goods.

The dissatisfaction of the population grew considerably in 1962, not only because of the stagnation in consumption but also because of a severe imbalance on the consumer market. ¹¹⁾ The imbalance took mainly the form of a shortage of meat and other quality foods, which resulted in extended queuing before food stores. Having become accustomed to a steady, if slow, increase in consumption and to a reasonably smooth distribution of goods, the population grew increasingly resentful of the shortages, and there were even some riots in the first half of 1962.

IV. Policies and Plans for 1963-70

By mid-1962 the cumulative deterioration of the economy had convinced the regime that the Third Five Year Plan could not be fulfilled. Accordingly the plan was abandoned, and the Czechoslovak regime had to find a new approach to economic policy. The new approach was evolved during the second half of 1962, with criticism, apparent indecision, and some disagreement within the Party, and was incorporated into an interim plan for 1963 and a Seven Year Plan for 1964-70.

1. Publication of the "Perspectives"

The first official disclosure that the regime was preparing to abandon the Third Five Year Plan and the first intimations

of a change in aims and methods were contained in a lengthy document of the Central Committee of the Communist Party published in mid-August 1962. 12) This document, entitled "Perspectives for the Future Development of Our Socialist Society" (hereafter referred to as the "Perspectives") was prepared for nationwide discussion in preparation for the Twelfth Party Congress, which eventually was held in December 1962.

The "Perspectives" set forth the new approach in the following statement: "The Central Committee has ... come to the conclusion that it will be desirable in the next few years to distribute our forces and means better, and to set targets so as to secure the proportionate development of the economy, and to create necessary reserves by exceeding these targets. In this way it will be possible to reduce the excessive strain in fulfilling the plan, to avoid defects in the supply of materials, and to insure smooth running of the economy and normal, even work in enterprises." Clearly the "high-pressure" planning of the past was to be avoided because of the disruption and imbalances to which it had led. Economic plans would be more realistic and less influenced by political pressure and also would allow for contingencies. However, the extent of the necessary retrenchment was not indicated, and the "Perspectives" at the same time strongly reemphasized the basic priorities of the Third Five Year Plan -- the rapid development of steel and heavy machine building -- priorities that had not been observed during 1961-62. Consumption would have to be held down, as the "Perspectives" clearly indicated, and central controls over the economy would have to be tightened. The "Perspectives" also made explicit some far-reaching proposals for further institutional reforms in agriculture that had been discussed in speeches and the press for 2 or 3 years. These proposals not only involved amalgamation of collectives and payment of fixed wages to collective farmers but even entailed the elimination of the private plots of collective farmers -- potentially a highly disruptive measure.

2. Subsequent Discussion

It is clear that Novotny and the "Perspectives" were under attack for several months and that in working out the new approach to economic matters several lines of policy that had been tentatively set forth in the "Perspectives" were modified by the time the final Party Directives were adopted at the Twelfth Party Congress early in December. Basically the evolution of economic policy during the period between the "Perspectives" and the Directives was in the direction of even greater caution in economic planning, of increased emphasis on agriculture, of a somewhat less negative approach to consumer desires, and of some toning down of the plans for potentially disruptive changes in agriculture. In no case was there a basic change in approach from that taken in the "Perspectives," but the final policy may well reflect a compromise between more divergent views.

3. The Party Congress

The basic reason for the increasing restraint in economic policy was the continued deterioration of the economic situation

during the second half of 1962, especially the decline in agricultural production that may not have been fully anticipated at the time the "Perspectives" was written.

It seems clear that as a result, some early assumptions for the plan for 1963 were revised sharply downward in November or December 1962. When the first definite goals of the plan for 1963 were released, 13) after the Party Congress in December, the percentage increase for industrial production had been reduced to a mere 1 percent -- an unprecedentedly low figure in the entire Soviet Bloc. The original target had been set probably at more than 5 percent. And, as was indicated earlier, increased caution and emphasis on agriculture and exports were reflected in the discussions and directives of the Party Congress.

The whole spirit of the Twelfth Party Congress lacked the optimism usually displayed at such gatherings and suggested that the Party leadership was seriously concerned about how to get its economic house in order. Instead of focusing on the past achievements of socialism and the prospects for a brilliant future, almost every speaker devoted most of his time to criticizing present shortcomings. The leadership placed some of the blame for the country's economic difficulties on "external influences of both a political and economic character" (by implication, mainly the Berlin crisis, which had led to higher defense expenditures than had been planned). 14) Another scapegoat was the enterprise manager who had "misunderstood" the increased responsibility given to him in the decentralization of 1958-60 and acted contrary to the national interest. 15) The leadership itself had to accept some blame for having planned the economy without "adequate technical preparation" or allowance for contingencies. In fact, Novotny's statement that "subjectivism in planning is the greatest evil," 16) made at a Party meeting in March 1963, can be read only as an implicit admission of his own responsibility for the economic deterioration.

4. Characteristics of the New Policy

The 11-point program approved by the Twelfth Party Congress formed the basic part of the published Party Directives. 17) This program, which followed the general approach of the "Perspectives," had the following characteristics:

a. Economic plans were to be carefully worked out and to be conservative enough to allow ample room for contingencies. High-pressure planning, such as had been practiced by the Novotny regime since its inception, would be dropped. In support of the new plans, more attention than before was to be given to new technology, better quality and assortment of products, and closer intra-Bloc economic cooperation. Export commitments were to be met even at the cost of domestic investment.

b. Agriculture was to receive increased attention by the Party. Czechoslovakia had to solve its own agricultural problem and could not expect to fill an ever-growing agricultural deficit from Soviet Bloc sources.

c. The consumer could not expect a significant improvement in his living conditions until the economic situation, and especially the agricultural situation, had considerably improved.

d. The state and Party would have to exercise much tighter control than before over economic activity to insure that established priorities were observed and that economic development would follow the lines established in the plans. Enterprises would lose thereby most of the increased authority that they had acquired during the 1958-60 reforms, at least until such time as an effective system of incentives could be worked out.

5. Specific Features of the New Plans

The evidence of a shift to more conservative planning lay in a great slowing down of the growth of fixed investment during "the next 2 or 3 years" 18); in the considerably reduced rates of growth planned for key industrial branches like steel, electric power, and machine building during 1964-70; and in the very small growth planned for 1963 in industrial production as a whole.

The reduction in rates of growth planned for some leading industrial products and branches is illustrated in the following tabulation (in planned annual average percentage increases) 19):

	<u>1961-65</u>	<u>1963-70</u>
Steel	9.4	6
Electric power	10	6 to 7
Machine building	12	8 to 10

Judging from the above goals and past relationships, total industrial production probably will be planned to grow by about 6 to 7 percent per year, whereas the abandoned plan counted on an annual rate of 9.3 percent. The planned rate of growth that is anticipated probably can be achieved, as it is well below the average rate of 9.2 percent a year estimated for 1956-60 and about the same as the average rate estimated for 1961-62.

The plan for 1963 called for an increase of only 1 percent in industrial production, an apparent decline in growth of labor productivity in industry, and a cut of 6 percent in capital investments. Never before had any Soviet Bloc country actually planned so little an increase as 1 percent in industrial production. The over-all industrial goal for 1963 appears to be well below the goal that was envisaged by the regime when work on the plan began in mid-1962. Hard reality had caught up with the Czech super-planners, with the Czech people paying the price in food shortages and postponed consumer goods.

APPENDIX

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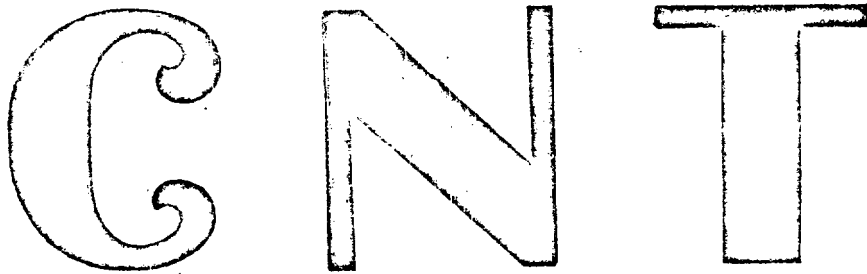
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Santiago de Chile
9 March 1964



ORGANO OFICIAL DE LA CONFEDERACION NACIONAL DE TRABAJADORES

Sgo., Chile - Dic. 1963 - N° 11-12 - H. Durán Director - Santo Domingo 1431 - Fono 87685

SIN RESERVAS TRABAJADORES MEXICANOS APOYAN LA ALIANZA PARA EL PROGRESO

La Confederación de Trabajadores de México (C.T.M.) ha dado su apoyo "sin reservas" a la Alianza para el Progreso.

Pero todavía más importante es que la C.T.M. ha elaborado planes concretos de acción para aprovechar la Alianza para el Progreso en favor de sus trabajadores.

¿Por qué la C.T.M., con todo su prestigio, fuerza e historia militante decidió que la mejor manera de alcanzar la justicia social para sus trabajadores es por medio de la Alianza para el Progreso? ¿Qué descubrió la C.T.M. en los métodos y metas de la Alianza, que la indujo a ofrecerle su apoyo "sin reservas"?

La C.T.M. declaró:

"Los principios que dieron vida y actuación a nuestro movimiento revolucionario tomaron carácter institucional en la Constitución Política de 1917.

"Es para los mexicanos una satisfacción que dichos principios hayan tenido completa coincidencia con la Carta de Punta del Este. Así podemos ver que las Repúblicas Americanas proclaman, en esa Carta, su decisión de asociarse en un esfuerzo común para alcanzar un progreso económico más acelerado y una más amplia justicia social para sus pueblos, respetando la dignidad del hombre y la libertad política, y a esa asociación la denominaron Alianza para el Progreso".

LA C.T.M. DEBE "TOMAR LA BANDERA"

En vista de la compatibilidad de la Alianza con la teoría social de la Revolución Mexicana y la lucha de los trabajadores por la justicia so-

cial, la Confederación preguntó: "¿Qué debe hacer la Confederación de Trabajadores de México?", y se contestó:

"Tomar la bandera de nuestra Revolución, constituir comités pro Alianza para el Progreso en cada ciudad, en cada pueblo, en cada villa, a los cuales se invite a todas las personas que no sean traidoras a su patria y a su tiempo...

"Cada trabajador de la C.T.M. debe ser un abanderado y un soldado de esta revolución social, en las grandes ciudades, en las pequeñas, en el taller, en la gran fábrica..."

En consecuencia, la C.T.M. procedió a tomar su legítimo papel dentro de la Alianza para el Progreso. La Confederación hará lo siguiente:

1.— Establecerá subcomités pro Alianza en cada una de sus cincuenta y una organizaciones afiliadas en todo México. Serán subcomités dependientes de la Comisión Pro Alianza para el Progreso, que está patrocinada por la Organización de los Estados Americanos.

Esos subcomités "deben convocar a reuniones de mesa redonda, o de cualquier forma, con las autoridades, patrones, profesionales, militares, profesores, etc., etc., de la región, con el fin de lograr un inventario de los problemas locales y encontrar la solución de esos mismos problemas, y comunicarlos al Secretario General de la C.T.M., con el propósito de que este alto funcionario ordene la gestión, su tramitación o estudio por la secretaría del Comité Nacional que le corresponda".

2.— Establecerá un banco de trabajadores, para conceder créditos destinados a obras de autoayuda. Este banco obtendrá su capital —cinco millones de pesos para comenzar— dentro de la Confederación misma. Las organizaciones afiliadas pueden comprar acciones del banco y los trabajadores pueden comprar acciones menores por medio de deducciones semanales de su salario.

3.— Fomentará el aumento de la enseñanza técnica, espe-

ingreso por habitante, para acercar en el menor tiempo posible el nivel de vida de los países latinoamericanos al de los países industrializados".

⊙ "Ejecutar programas de vivienda en la ciudad y en el campo, para suministrar casa decorosa a los habitantes de América".

⊙ "Impulsar, dentro de las particularidades de cada país, programas de reforma agraria integral, orientada a la efectiva transformación, donde así se requiera, de las estructuras e injustos sistemas de tenencia y explotación de la tierra, con miras a sustituir el régimen de latifundio y minifundio por un sistema justo de propiedad, de tal manera que, mediante el complemento del crédito oportuno y adecuado, la asistencia técnica y la comercialización y distribución de los productos, la tierra constituya para el hombre que la trabaja, la base de su estabilidad económica, fundamento de su progresivo bienestar y garantía de su libertad y dignidad".

⊙ "Asegurar a los trabajadores una justa remuneración y adecuadas condiciones de trabajo; establecer eficientes sistemas de relaciones obrero patronales y procedimientos de consulta y colaboración entre las autoridades, las asociaciones patronales y las organizaciones de trabajadores, para el desarrollo económico y social".

⊙ "Acabar con el analfabetismo, extender en el plazo más corto los beneficios de la enseñanza elemental o primaria a toda persona latinoamericana, y ampliar, en gran escala, las oportunidades de educación secundaria, técnica y superior".

⊙ "Desarrollar programas de salubridad e higiene con miras a prevenir las enfermedades, luchar contra las epidemias y defender en suma el potencial humano".

⊙ "Reformar las leyes tributarias para exigir más a quienes más tienen, castigar severamente la evasión de impuestos, redistribuir la renta nacional en favor de los sectores más necesitados y, al mismo tiempo, alentar la inversión y reinversión de capitales, y el ahorro".

⊙ "Dar rápida y duradera solución al grave problema que representan para los países de la América Latina las variaciones excesivas de los

precios de los productos que de ordinario se exportan y de los que aún depende, en medida tan importante, la prosperidad de las Naciones Latinoamericanas".

⊙ "Los Estados Unidos, por su parte, se comprometen a ofrecer su cooperación financiera y técnica; proporcionarán la mayor parte del financiamiento, por lo menos de veinte mil millones de dólares, principalmente fondos públicos, que la América Latina requiere de todas las fuentes externas, durante el próximo decenio, para completar sus propios esfuerzos".

CONCLUSIONES DE LA C.T.M.

Al cabo de tres días de cuidadoso y detallado estudio, los delegados de la C.T.M. votaron, unánimemente, por apoyar la Alianza para el Progreso "sin reservas". Uno de los dos últimos dictámenes aprobados en la conferencia, dice:

"Podemos entonces concluir que nuestra Revolución ha formado en la República Mexicana todas las condiciones que las Repúblicas Americanas reconocen como necesarias para desarrollar los objetivos propuestos en la Alianza para el Progreso...

"Por nuestra parte... queremos... dejar perfectamente claro cómo entiende la Confederación de Trabajadores de México la Alianza para el Progreso, y por qué apoya sin reservas la participación limpia de nuestro gobierno en el esfuerzo común, para lograr el desarrollo económico y social de México y de toda América.

En el segundo dictamen final, la C.T.M. toma nota de que la Alianza para el Progreso es un esfuerzo cooperativo que atraviesa las fronteras nacionales y afecta profundamente al trabajador libre en todo el continente. Por tanto la C.T.M. emitió un informe especial final, para subrayar su apoyo a la actitud que sobre la Alianza para el Progreso mantiene la Organización Regional Interamericana de Trabajadores (ORIT), a la cual está afiliada la C.T.M. La C.T.M. señaló:

"Nuestra militancia en la ORIT nos ha permitido participar en sus diferentes congresos, en los cuales se han tomado acuerdos que interpretan el modo de pensar de los sindicalistas demócratas de

América sobre los más delicados problemas de nuestro Continente".

Fundada en esta participación en la ORIT y en el conocimiento directo de la militancia de la ORIT en favor de reformas fundamentales con arreglo a la Alianza para el Progreso, la C.T.M. adoptó "Punto de Acuerdo" con la actitud de la ORIT. Entre ellos se cuentan:

⊖ "Nuestro completo apoyo en la lucha por lograr una adecuada Reforma Agraria, en los países en donde todavía no existe, que transforme las condiciones sociales y económicas para favorecer la aplicación de los objetivos de la Alianza para el Progreso.

⊖ "Nuestro apoyo también en la lucha por obtener precios justos y estables en el mercado internacional para las materias primas.

⊖ "Una intensa preparación técnica en nuestras filas, para estar en aptitud de atender eficazmente la industrialización de nuestros productos y su diversificación.

⊖ "Una creciente actividad educativa en nuestros Institutos de Educación Obrera, para ampliar nuestros cuadros sindicales, incorporando en ellos a todos los hombres y mujeres dispuestos a servir a la colectividad.

⊖ "Un vigoroso impulso a las cooperativas obreras organizadas para la construcción de viviendas populares, a efecto de que puedan desempeñar con mayor eficacia una importante colaboración tendiente a resolver la tremenda escasez de habitantes de tipo económico.

⊖ "Apoyo completo a las gestiones que la ORIT viene realizando para que en todos los organismos encargados de elaborar y desarrollar planes de superación social y económica al través de nuestro continente, se dé a los trabajadores organizados la debida participación y atención".

Es ésta, pues, la forma como uno de los movimientos obreros más estimados y poderosos de América Latina juzga la Alianza para el Progreso en lo nacional, en lo internacional, y cuál es su propio papel activo. En conclusión, la C.T.M. lanzó este llamamiento:

"¡A LUCHAR: PORQUE LA LIBERTAD Y EL BIENESTAR HAY QUE CONQUISTARLOS!"

TABLE OF ECONOMIC AND POPULATION GROWTH IN LATIN AMERICA

(The figures are in terms of 1961 prices. Included are 19 Latin American countries -- all except Cuba.)

YEAR	GROSS NAT'L PRODUCT BILLIONS OF DOLLARS	PER CAPITA INCOME DOLLARS
1950	33.4	224
1951	34.8	227
1952	36.1	229
1953	37.4	231
1954	39.7	238
1955	42.1	246
1956	43.6	247
1957	45.9	253
1958	47.6	255
1959	49.4	257
1960	51.8	262
1961	54.3	267
1962	55.6	266

In 1950, the population of all of Latin America was estimated at 150,000,000, and was increasing at 2.5% per year. By 1962, it was 211,800,000, and was growing at 2.8% per year. If this rate of growth remains unchanged, the population will double within a generation and be about 500,000,000 by the end of the century.

The New Leader
March 2, 1964

Revitalizing the Alliance

By Herbert Cahn

BY NOW, even among some of its staunchest advocates, there is general agreement that the Alliance for Progress has thus far been a failure. It must be said in all fairness, however, that the failure was not predictable and the experiment was a reasonable and statesmanlike risk.

When the Alliance was first begun, the United States expected to be dealing with rational partners eager for a joint approach to solving economic and social problems. But before long the reasonable and moderate Arturo Frondizi was deposed in Argentina, leaving the country at the mercy of rival military cliques that threatened civil war on the issue of the extent to which—not whether—the Peronistas should be suppressed. And in Brazil another man who had been relied upon, Janio Quadros, suddenly resigned the Presidency and gave way to Joao Goulart, a man of consummate political skills yet devoid of even an elementary sense of public administration. Almost from the very start, therefore, instead of meeting a desire for cooperation the United States faced

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aggressive xenophobia. Instead of launching progressive programs, Washington had to spend a good deal of time apologetically explaining that it was not trying to re-colonize the Hemisphere.

Another important reason for the Alliance's failure is a basic contradiction in its conception. Ostensibly, the program is a deliberate attempt to reach the masses over the heads of their governments—the oligarchs, the landholders, and the politicians. It was to be aid with a new twist, or "social" rather than capital investment. Benefits were to accrue directly to the downtrodden in a manner that would prevent their being stolen by the rich for accumulation in numbered Swiss bank accounts.

To qualify for aid under the Alliance a country was supposed to agree to legislate steeper progressive income taxes; intensify land reform, which generally means expropriating the property of the large holders; pass anti-capital flight laws, and adopt other measures aimed at straightening out the selfish ruling classes. But in poor countries reforms to soak the rich can often result in the redistribution of poverty, and not in the creation of new wealth. At the same time,

such reforms tend to discourage those who have created wealth in the past from continuing to do so.

The thinking behind these prerequisites for Alliance aid seems to have been twofold. First, the people would be shown that the Communists are lying when they say that the United States is the natural ally of the exploiting plutocracy. Second, social-minded, progressive, forward-looking democrats and Socialists would be brought to power and eliminate the Communists from the Latin American scene.

The authors of the Alliance apparently reached the facile conclusion that an undemocratic oligarchy selfishly clinging to its privileges was responsible for the Hemisphere's problems. Had they given this more thought, they might have taken into account that the governments of Brazil, Argentina, Uruguay, Chile, Venezuela and Colombia had been elected by irreproachable democratic processes. Moreover, the politicians elected would compact with the Devil to insure re-election; they would depose the Bishop of Rome, let alone redistribute land, if they thought it electorally profitable. Why, then, haven't they?

One reason is that their admin-

istrative facilities are not equipped to handle modern social problems. There are always certain specific areas—now in one place, now in another—where thanks to the talents of some outstanding individual administration is excellent. But the over-all picture is a sad one indeed. Most of Latin America's social problems are extensive and general, rather than particular, and social reforms raise popular expectations long before they raise the standard of living. Failure because of incompetent administration can only lead to revolutionary dictatorships, either Communist or Fascist. In many instances, the governments in power were aware of the risks involved as well as of the danger inherent in abrupt shifts of power.

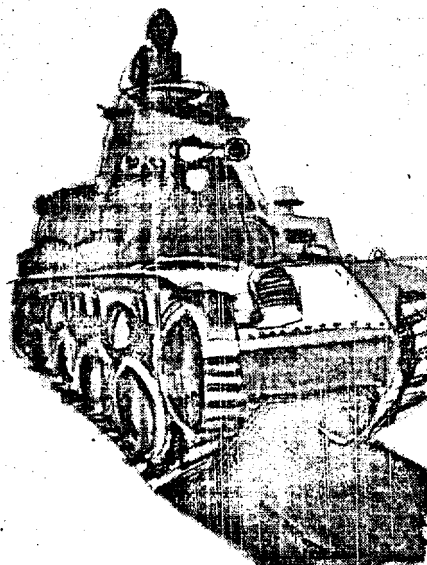
A case in point was the election of Juan Bosch to the Presidency of the Dominican Republic. Bosch is certainly no Communist, but his alienation of the previous ruling group would in time have forced him into an alliance with some of the less stable Leftist groups and possibly even with the Communists. The end result would have been to undermine relations between Santo Domingo and Washington, and at best Bosch's government would have been in a state of permanent insurrection on the model of that now carried on by the terrorist groups in Venezuela.

All this is not to say that dictatorships, either of the Left or Right, are the panacea for Latin American instability. Rather, the point is that inflexible adherence to the principles of representative democracy is neither an essential condition for keeping the Communists out of Latin America nor sufficient for fostering economic development. The danger of going too far too fast can, after all, exceed that of standing still.

I THINK that what is required, therefore, is a revision of U.S. policy toward Latin America in general and of the Alliance for

Progress in particular. The following, for example, would go a long way toward revitalizing the Alliance:

1. Replace long-term planning with a project-to-project approach. If a government prefers the long-term approach to economic development, it should not be discouraged. But where long-range plans are lacking the U.S. should not demand them. Master schemes tend to make governments rigid, and they also provide a broad base for attacks from the opposition. Often the same plans, deftly dis-



guised, allow more flexibility to ward off opponents.

What is more, if U.S. aid is tied to long-term projects which for one reason or another are abandoned, U.S. foreign policy is bound to be adversely affected. Individual projects, on the other hand, do not suffer from the same weaknesses. Experience has shown that most such projects survive a succession of administrations. Regional self-interest as well as momentum see them through to a conclusion even under the most difficult circumstances.

In addition, it is much easier to control expenditure, performance and even venality when supervising individual projects without stepping on nationalist toes. By contrast,

supervision of a long-term plan invariably involves the State Department's interference in the internal affairs of another country. Even were this not resented, it leaves the recipient government open to accusations of tutelage. Finally, although the U.S. produces the most automobiles in the world, it has no more experience in developing underdeveloped countries than do the recipients of aid, and should look upon its own efforts in this field with some humility.

2. Tax Incentives. The United States government has been very generous with exhortations to invest in Latin America. In an economy as tax-oriented as ours, though little will come of this good advice until meaningful tax privileges are granted. Fast tax write-offs on investments in underdeveloped countries go a long way toward encouraging their acceptance.

At the same time, the investor could be required to reimburse his original tax credit as soon as he begins to remit profits home, so that the first remittances will be applied to amortization of the tax credit. In this way, the investor would be encouraged to re-invest his profits without straining the balance of payments of the recipient country by returning large profit or royalties to his home office. It is worth adding that such legislation would find much less opposition in Congress than is usually accorded foreign aid.

Industrial investment induced by tax incentives would also outflank most of the problems the Alliance wants to solve, and has attempted to solve, by legislative fiat. Although the Alliance seeks to remedy the problems of primarily agricultural economies, these problems will become increasingly less important as industrialization proceeds to change the economic structure of the countries involved. A typical example of this evolutionary process in U.S. history is the agricultural poverty of the South. No cure has

ever been found for the South's agricultural ills; they simply have become less important as industry has moved in.

3. Stop interfering in internal politics. The case that comes most glaringly to mind is Peru. The Peruvian Army did not want Victor Haya de la Torre in power, and cancelled the country's elections. After the U.S. Ambassador made some public statements obviously designed to snatch the carpet from under the Generals' feet, they forced his withdrawal.

Ambassadors, after all, are not supposed to govern the countries to which they are accredited. When they try, it usually leads to trouble or embarrassment. Recently, the American Embassy in Rio was accused of using wheat counterpart funds to finance the election of anti-Communist deputies to the Brazilian Congress. In reply, the Embassy published a breakdown of the application of its wheat funds. One of the items listed was nearly \$1 million for "subscriptions to periodicals, etc." Since newspapers in Brazil cost three cents each, one could not escape the suspicion that the Embassy was lying or had gone into the used paper business.

It is simply impolitic to coerce countries into passing legislation favored by our own Agency for International Development. Yet doing so is one of the basic procedures of the Alliance. If the United States government feels that it must withhold financial cooperation from a foreign government, it is its privilege as well as its duty to use its best judgement in each case. But it is impractical to exhort other governments to pass new legislation to accommodate a U.S. viewpoint.

To begin with, much of this sort of legislation is double-edged, what the Brazilians call *contra-producente*. Laws that are supposed to check capital outflow frequently have an opposite effect. Brazil, like all the signatories of the Alliance, was urged to pass such a law, and

did. But to the State Department's dismay, the law actually penalized those who had brought capital into the country and scared new investors away. Only confidence can keep money usefully employed in these countries, and only police-state methods can hold on to it if this confidence is lacking. Before a strong protest from New York bankers halted the practice, the Kennedy Administration cooperated in this matter by going to the absurd length of threatening physical searches of airline passengers from Brazil to see if they carried correspondence containing flight funds.

Another area in which imposed legislation can backfire is land reform. As noted earlier, such reforms tend first of all to decrease production. Some Latin American governments may wish to undertake such a step on their own initiative, and in several instances it has worked out well. But if they are cajoled into doing so by the United States and the reform proves detrimental, the blame will rebound to Washington.

While few people seem to be aware of it, there is no land shortage in Latin America, nor is the lack of land the reason for rural poverty. True, land may be inequitably distributed, but reform makes sense only when access to the land is barred by unproductive hereditary land ownership. Where this is not the case, more often than not land reform only succeeds in making starving peasants out of starving peons, and at the same time breaks up the social organization of a society built on an agricultural middle or upper class.

Furthermore, much imposed legislation merely creates the illusion of solving problems. The tax question is a good illustration. The Alliance for Progress favors more progressive taxation. (No one seems ever to have asked how progressive. Yet that should be the first question if the issue is to

be handled on factual rather than moralistic grounds.) This is a typical instance of U.S. involvement in the internal affairs of other countries being foolish.

For one thing, most Latin American governments are better equipped to collect direct rather than indirect taxes, so that higher rates on indirect taxes merely serves to punish the honest. For another, progressive taxation in areas of capital shortage is a very doubtful policy, for it transfers income from investors to consumers, or from a more efficient sector of the economy to the least efficient: the government. Most Latin American social security laws, incidentally, also fall under the heading of illusory legislation. The laws are passed; the deductions are made from the workers' payroll; and when it is time for him to receive the benefits, either his money has been eroded to nothing by inflation, or the benefit is simply not available.

4. Primary export product prices. One of the certain signs of underdevelopment is excessive dependence on the exportation of one or a few non-manufactured products. On this score, the Communists have pressed the argument that foreign aid from capitalists is nothing more than a loan to the recipient country of what was stolen from it by paying low prices for its exports. Their statisticians take as their base the high prices from the Korean War period, then go on to show that if these high prices had been maintained Latin America would have double the foreign exchange income it has today and would not need aid. When correct figures are used the argument is shown to be largely nonsense, but something could, and should, be done about its element of truth.

The element of truth is that the more an exporter produces the less he gets for his merchandise. And where Latin America is concerned,

hardly any countries are sufficiently important as producers to control prices through reducing production. Meanwhile, they must continue to import goods at prices dictated by semi-monopolistic and oligopolistic manufacturers.

The United States, therefore, should encourage and participate in more world marketing agreements on commodities. Whenever prices have skyrocketed, Washington has tried to make such agreements. But the right time to make them is when prices are low and the other contracting parties are likely to agree to reasonable conditions.

5. Don't mix foreign policy with commercial interests. The commercial interests of U.S. firms do not necessarily coincide with the foreign policy interests of the U.S. government, and sometimes they obviously clash. American businessmen abroad, however, have a tendency to think that representatives of the U.S. government are on the scene only to protect them; that, in fact, their protection is the government's primary function. Surely, there can be no objection to interference on the businessman's behalf when this does not conflict with more important political objectives; but when it does, private commercial questions rightly become secondary. A good many American businessmen still refuse to recognize this.

United States public utility firms all over Latin America are victims of a very difficult situation, having obligated themselves to furnish services at fixed prices computed in currencies which have lost their value. Consequently, they are unable to give good service, let alone expand to serve growing economies. As their equipment becomes obsolete, their services deteriorate and they become an embarrassment even to the most well-meaning local government. They made bad commercial deals.

The utility firms then turn to Congress or to the State Department

for assistance, hoping to get the most out of properties that are rapidly becoming worthless. There are situations where they may be helped, and others where it would be best to tell them to pull their own chestnuts out of the fire. Where the latter obtains, they must be threatened with serious consequences if they use their financial strength to force political interference that may undermine the stability of the governments in the countries where they operate.

6. Public Law 480: counterpart funds. Ambassadors should be given use of a larger part of these funds and should be allowed to



use them at their own discretion. An ambassador's hands should not be tied because at some place, at some time, some fool might misappropriate funds or spend them in a manner inimical to U.S. interests.

As it is, these counterpart funds are already lost to the U.S. economy and lie about in depreciating currencies, steadily eroding away to nothing in central banks. The American taxpayer would be better served if ambassadors had them available for discretionary disbursements that are in our interest.

Principally, Congress should insist

that minimum restrictions be placed on these counterpart funds by the recipients of agricultural products. The availability of free funds can give ambassadors a greater ability to encourage policy decisions congenial to the United States.

7. Lend less and give more. Much of the lending done under foreign aid today is illusory; it is illusory because the loans are eternally renewed. Many recipient countries would be better served by outright grants, and the donor would be no worse off.

8. Cut down propaganda activities. American consulates and embassies are beginning to look ridiculous in their propaganda. If it were only a question of money this would not matter, since the sums involved are not huge. The trouble is that those who are the targets of propaganda are more likely to become skeptical of the truth than convinced of it. The basic truths about the U.S. economy, political systems and way of life are adequately covered by the wire services, magazines, and other unofficial communications media that do not provoke negative reactions.

The best propaganda is supplied by the U.S. press when it explores the defects of our own society, for then the positive aspects of American life seem all the more credible. In countries where a free and adequate press exists, official U.S. propaganda programs could be canceled at no loss, and in many cases at a profit.

THIS LIST of suggestions is hardly exhaustive. But it should help to make clear that if the Alliance is to be made effective, it must become more liberal in the classical sense. Though liberalism is old-fashioned, a continent that in many ways is still stranded in the 19th century can best assimilate the remedies appropriate to that period. In time, these very remedies will propel Latin America into the 20th century.